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Japan

Defense Chief Rules Out F-16's Purchase

OW1404031989 Tokyo KYODO in English 0312 GMT
14 Apr 89

[Text] Tokyo, April 14 KYODO—Japan on Friday rejected suggestions in the U.S. Congress for it to buy the General Dynamics F-16 aircraft "off the shelf" instead of developing the FSX next generation support fighter.

Defense Agency Director General Kichiro Tazawa told a regular biweekly news conference that Japan will maintain its position to codevelop the FSX with the United States based on the F-16.

Prime Minister Noboru Takeshita and Foreign Minister Sousuke Uno, with whom Tazawa met separately at the Diet earlier in the day, agreed with his argument, he said.

Some American Congress members have urged Japan to buy the F-16 rather than develop the FSX. The latest such call came from North Carolina Republican Senator Jesse Helms on Thursday.

Further on PRC Premier Li Peng's Activities

Invites Emperor To Visit China

OW1304110889 Tokyo KYODO in English 1015 GMT
13 Apr 89

[Text] Tokyo, April 13 KYODO—Chinese Premier Li Peng invited Emperor Akihito and Empress Michiko to visit China during a meeting at the Imperial Palace on Thursday, the palace said.

Emperor Akihito thanked Li for the invitation but gave no definite indication as to whether he will make what would be a historic trip.

But a senior Foreign Ministry official later indicated that the imperial couple may make the trip following Emperor Akihito's coronation, scheduled for the fall next year.

Isao Abe, the grand master of ceremonies who was present at the meeting, said the emperor told Li that he has to consult with the government on the matter.

But Emperor Akihito added that he personally would like to pay a visit to China, Imperial Household sources said.

Under Japan's Imperial House Law, all overseas imperial trips are subject to approval by the cabinet.

Emperor Akihito and Empress Michiko received Li and his wife, Zhu Lin, for 20 minutes at the Imperial Palace's Takenoma Hall before hosting a luncheon for the Chinese visitors.

It was Akihito's first meeting with a Chinese leader since he ascended the throne on January 7 following the death of his father, Emperor Showa.

Imperial Household officials said Li asked the imperial couple to visit China "at their convenience."

Officials characterized the invitation as "unofficial," saying that it did not come from the Chinese head of state, as an official invitation would according to dictates of diplomatic protocol.

The trip, if realized would make Emperor Akihito the first member of the Japanese imperial family to visit to China after World War II.

Japan and China fought a bitter war between 1937 and 1945, and Japanese wartime atrocities in China still rankle Chinese nerves.

Li, in a meeting with Prime Minister Noboru Takeshita on Wednesday, reminded the Japanese Government to treat "historical issues" with caution.

Emperor Akihito also touched on Japan's past history with China during his meeting with Li, but Imperial Household Agency officials declined to give a specific account of what the emperor said.

"What was said was close to (Emperor Akihito's) heart. It was very frank," Abe said when asked by reporters whether emperor made an apology for Japan's wartime role in China.

Imperial Household Agency officials said Li listened in silence and later expressed his appreciation for the emperor's remarks.

Li made no reference to past history, limiting his remarks to the subject of present and future economic cooperation between the two countries, according to agency officials said.

Emperor Akihito was quoted as responding that he hopes the two countries will strengthen mutual understanding and expand ties through mutual cooperation.

Emperor Regrets 'Unfortunate History'

OW1404091989 Tokyo KYODO in English 0906 GMT
14 Apr 89

[Text] Tokyo, April 14 KYODO—Japanese Emperor Akihito has regretted that there was an "unfortunate history" between Japan and China in the modern era, Chinese Premier Li Peng said here Friday.

Li, who was received in audience by Emperor Akihito on Thursday, was giving a press conference at the Japan National Press Club.

Imperial Household Agency officials, who briefed Japanese palace reporters about the session on Thursday, declined to give a specific account of what the emperor said to Li.

Japan and China fought a bitter war between 1937 and 1945.

Li Addresses National Press Club

OW1404130889 Tokyo KYODO in English 1248 GMT
14 Apr 89

[Text] Tokyo, April 14 KYODO—Chinese Premier Li Peng on Friday denied the existence of major differences of opinion among the upper echelons of the Chinese Communist Party on the future direction of economic reforms.

Li speaking before the Japan National Press Club on the third day of his five-day visit to Japan, also tried to lay to rest "rumours" that Chinese Communist Party General Secretary Zhao Ziyang, who is said to favor a faster paced reform program than Li, is planning to leave the Chinese political stage in the near future.

"The political situation in China today is stable," Li said. "The various rumours that are being heard about Zhao are all wrong—in general, our cooperation is proceeding favorably."

"Our views do not necessarily coincide completely, because after all we are two different persons," the premier said. "But in terms of general direction and general policy of promoting reform and liberalization, we are in agreement."

While acknowledging an occasional divergence of opinion on "specific steps of reform," Li called it "inappropriate" to view the Chinese leadership as divided along factional lines between those favoring an aggressive approach to reforms and those opting for a moderate course.

Li pointed to the consensus reached by the two on the contents of a comprehensive government work report that the premier presented last month to the Seventh National People's Congress (NPC), China's parliament, which contained self-criticisms for blunders made by the government in its economic reform program and outlined a set of austerity measures.

"That reflected the policy and intentions of Zhao as it was adopted in the framework of the Politburo of the Central Committee of the party," Li said.

Li said Zhao has expressed no intention of retiring. "His position is a stable one," Li said.

Zhao's political future has been the subject of widespread speculation. The relative liberal reformist has come under criticism from conservatives, who blame him for China's mounting economic problems.

Li gave the clearest description yet of his meeting Thursday with Emperor Akihito, the contents of which have been given only in outline by Japanese government agencies.

"His majesty recalled the historical relationship between Japan and China," Li said, adding the monarch noted that Sino-Japanese relations stretch back over centuries.

"As for more recent times, His Majesty said he wished to express his regret for (Japan and China) having had an unfortunate history," Li said, a thinly-veiled reference to Japan's role in the bitter war in China from 1937-45.

"I myself, in response, said something to the effect that to recall past history is to open up better prospects for the future," Li said.

Asked later as to whether that meant he was "satisfied" with the emperor's words of reflection on the "unfortunate past," Li deflected the question, saying that his own remarks on the lessons of history were sufficient.

"His Majesty showed great interest in Chinese culture," Li said. "So I suggested that there are quite a few cultural sites that can be visited, and I invited His Majesty to visit China at his convenience."

"The emperor expressed his desire to visit those places, but he also stated that he will have to discuss this matter with the Japanese cabinet," the premier said.

Emperor Akihito would become the first Japanese emperor ever to visit China. The trip is expected to take place after his coronation ceremony next year.

Li said relations with Japan are "generally in a good state," but added there are "certain aspects and problems that need proper attention—among them questions related to the past history and the Japan-Taiwan relationship."

He said Japanese Prime Minister Noboru Takeshita assured him that Japan will respond to such bilateral problems "on the basis and in the spirit of the Sino-Japanese Joint Statement and the Treaty of Peace and Amity." "I therefore feel relieved," the premier said.

Last month Li reacted strongly to remarks by Takeshita in the Diet that were perceived by the Chinese as another example of Japanese historical revisionism. "The nature of the war brooks no alteration," Li was quoted as saying.

Takeshita later withdrew his remarks that the nature of the war should be left to future historians to decide and admitted that Japan's military advances on China were "aggressive" in nature.

On the historic Sino-Soviet summit scheduled for May, Li said a "document" will be issued at the close of the talks. He said the document will spell out agreements and disagreements, "but nothing more."

Downplaying fears that the normalization of party-to-party relations between Beijing and Moscow could work to the detriment of other nations, Li said it will simply "allow the leaders and people in the parties to have contacts with each other."

"There's no such question as policy coordination between the two parties," he said.

Li said the summit will have "positive effects for the peace of China, Asia and the world as a whole."

Li Promotes Foreign Investment

OW1404061289 Tokyo KYODO in English 0557 GMT
14 Apr 89

[Text] Tokyo, April 14 KYODO—China's Premier Li Peng on Friday urged the Japanese business community to invest more aggressively in China, saying China welcomes investment both in big industrial projects and small businesses.

Li also promised there will no change in China's reform and open-door policy despite austerity measures the government imposed last fall to curb galloping inflation.

"Economic readjustment is not meant for changing the present reform and open-door policy but to create better conditions for achieving these goals," he said in a luncheon speech to a group of 320 prominent businessmen in Tokyo.

Li, accompanied by his wife, has been in Tokyo since Wednesday for a five-day official visit.

The luncheon was Li's last official engagement in Tokyo before he leaves for a sightseeing tour of western Japan following a press conference in Tokyo later Friday.

The focus of Li's 30-minute address centered on providing assurances to prospective Japanese investors in China, which has been hit by severe inflation and clampdown on public spending.

Li, who has complained that Chinese leadership is "too impatient for quick results," made it clear that the most important goal is stability.

He admitted that China is still hampered by inflation, which went up 18.4 percent last year, and austerity—or economic readjustment in official jargon—is likely to last "three or four years."

However, he said China welcomes more investment from Japan and made a pitch for what he characterized as "integration of mutual advantages."

The formula calls for an injection of Japanese capital and technology to complement China's abundance of labor, land and natural resources.

Li, deviating from his prepared text, offered the most authoritative explanation on why some Chinese exporters reneged on contracts they signed with their foreign partners last year.

Chinese provincial trading companies, he said, took advantage of China's dual price system and signed contracts to export steel and nonferrous products they acquired at state-subsidized prices substantially below the open market price.

"I sympathize with your complaints," Li said.

However, in a thinly veiled criticism of foreign importers, he added such trade was conducted by provincial companies which he said are "inexperienced and inefficient."

He took time out Thursday morning to tour a Sony showcase exhibition of sophisticated communications and broadcasting facilities in Tokyo before attending the business luncheon hosted by the Federation of Economic Organizations (Keidanren) and other top Japanese business organizations.

Li Meets With Miyazawa

OW1404103289 Tokyo KYODO in English 1007 GMT
14 Apr 89

[Text] Tokyo, April 14 KYODO—Chinese Premier Li Peng on Friday met former Japanese Finance Minister Kiichi Miyazawa and thanked him for his help in gaining Diet approval of a Japan-China investment protection agreement, officials said.

Miyazawa, who paid a call on Li at the Akasaka State Guesthouse, asked the Chinese leader to improve electric power, transport and other infrastructure facilities in order to help attract more Japanese investment to China, according to the Liberal Democratic Party (LDP) officials.

The Diet (parliament) on Wednesday [12 April] approved a Japan-China investment pact designed to assure Japanese firms equal treatment with Chinese.

Miyazawa, who stepped down from the cabinet last December, and LDP Secretary General Shintaro Abe are regarded as the most powerful contenders in the race for a successor to Prime Minister Noboru Takeshita.

Li, who is currently on a five-day visit to Japan, is scheduled to return home from Fukuoka on Sunday.

Takeshita Testifies About Recruit Donations
*OW1204040289 Tokyo NHK General Television
Network in Japanese 0030 GMT 11 Apr 89*

[Proceedings of an emergency interpellation session on the topic of political donations Prime Minister Takeshita received from the Recruit group held by the House of Representatives Budget Committee at the House of Representatives First Committee Room; session chaired by House of Representatives Budget Committee Chairman Akio Ono and questions asked by Masami Tanabe of the Liberal Democratic Party (LDP), Kanji Kawasaki of the Japan Socialist Party (JSP), Shosuke Miyachi of the Komeito, Kazuya Tamaki of the Democratic Socialist Party (DSP), and Zenmei Matsumoto of the Japan Communist Party (JCP), in that order—live]

[Text] [Tanabe] First, I would like to address Prime Minister Takeshita. Recently, you have said that you would like to make a report to the Diet on the results of your own investigation on fund-raising tickets and political donations related to you personally. This committee meeting has been held in response to your vigorous request.

I have already said during the previous intensive deliberation that the people do not have a correct understanding of the Recruit issue, particularly the question of donations. For instance, unlisted shares, fund-raising tickets, and political donations have been all mixed up. I think at this point, we have to explain which is questionable and which is not in such a way that the people will understand. Of course, politics costs a lot of money and all political parties have a hard time grappling with this problem. According to my own investigation, all political parties have sold fund-raising party tickets to Recruit Co. I will not name names since this is, after all, not illegal. We will leave it at that. Politics costs a lot of money. In all countries of the world, donations are obtained from various sources, and material and moral support are solicited. Politics have been conducted in such a manner. Or else, only those who have money can become politicians. Be that as it may. I think at this point, there is a need to make this clear.

Our party has presented an opinion that donations received after the issue was uncovered are questionable, but those before the issue was exposed are not legally questionable. However, I think the reason the prime minister wants to disclose the results of his investigation at this point is because he feels that even if there was nothing questionable, as the prime minister, he wants to answer the people's doubts. As to the amount of money involved, there have been criticisms that it was a bit too much. Since the prime minister has repeatedly said he wants to report the results of his investigation, we will let him explain. Also, as to the three requested items in a set [san ten setto—referring here to Recruit stock transfer documents; bank transfer slips indicating purchase of Recruit stock; and bank receipts, indicating sale of Recruit stock], we would like to get a clear answer.

[Ono] Prime Minister Takeshita.

[Takeshita] As mentioned earlier, during the last Diet session, in response to committee member Sakagami's question, I said I would conduct investigations and answer at an appropriate time. During the present Diet session, I have also been asked to make various investigations and answer various inquiries based on those investigations. I have organized various data to the best of my ability and would like to present the results of such effort.

Concerning the so-called Recruit question, I, in my personal capacity as politician Noboru Takeshita, would like to present facts and my own personal opinion about political donations received by political groups related to me and the sale of fund-raising party tickets.

First, I would like to give my general view on political donations. In the opinion of the LDP as stated on 11 February, political activities of politicians, including elections, are supported materially and morally by a wide range of supporters, not to mention local voters. I believe that political donations also form the economic support for the freedom of political activities and are a necessary and indispensable basis for vital democratic politics. At the same time, as a matter of course, political donations should only be used for political activities and should by no means be co-opted for personal purposes. The receipt and expenditure of such political funds should be reported in accordance with the stipulations of the Political Fund Control Law. With regard to political donations and the purchase of fund-raising tickets, because the position of those who support us politicians also has to be taken into consideration, the publication of details on names of donors and the amount of donations more than required by law should be made with much caution.

However, as pointed out earlier, since the so-called Recruit question has been observed to be so widespread and since I am presently occupying the public office of the prime minister, I cannot answer inquiries only by mentioning the general principles. Therefore, on political donations: In 1985, a number of political groups related to my office received a total of 5 million yen in political donations from the Recruit Co. In 1986, a number of political groups related to my office also received a total of 10 million yen in political donations from the Recruit Co, a total of 10 million yen from the Recruit Joho Shuppan Co [Recruit Information Publication Co., a total 10 of million yen from the Recruit Furomu-e Co, and a total of 5 million yen from Recruit Cosmos Co. These political donations have all been reported by the individual political groups concerned in accordance with the stipulations of the prevailing Political Fund Control Law.

Aside from the above, not in the form of political donations, the Recruit Co. contributed a total of 5 million yen in membership fees as a member of a number of policy study groups sponsored by my office in 1986.

Next, concerning the purchase of fund-raising party tickets, Recruit Co. purchased tickets worth 20 million yen and Recruit Cosmos Co bought tickets worth 30 million yen for the party to support LDP General Secretary Noboru Takeshita held on 21 May 1987. As to the income derived from holding the party, it was as given in the report submitted in accordance with the Political Fund Control Law for that year.

Furthermore, as to the party held by the Iwate Long-term Policy Forum in Morioka on 30 May 1987, my office was not involved in initiating the party.

On this occasion, I will report on the dealing of unlisted Recruit Cosmos shares by individuals close to me. Time and again this has been the subject of inquiries in the Diet. In autumn 1986, 2,000 shares were transferred in the name of Ihei Aoki and 10,000 shares in the name of Katsuyuki Fukuda. They were all personal transactions made by Aoki and Fukuda, respectively. I was not personally involved in the deals and the deals were not made for the purpose of raising political funds for me. Thus, with regard to the so-called question of the three items in a set, although I admit that as a matter of course, the right to privacy of politicians may sometimes be subject to certain restrictions, the same cannot be said about the people around him. Considering various possibilities, as I time and again have shown in my response to the requests for submitting the three items in a set, I have taken much caution. However, I have made my decision and now I have brought with me the bank confirmation slips showing the receipt of money used to buy the stocks in the name of Ihei Aoki and Katsuyuki Fukuda and the bank confirmation slips showing the transfer of funds. As to the certificates of stock transfer, although Aoki has kept a personal copy, Fukuda does not have a copy. However, if the company which is the other party in the transaction has a copy of the certificate, I think the cooperation of that company can be sought to obtain a copy. In any case, since these documents reveal transactions by private individuals, as I have reiterated time and again, I request that this committee deliberate on the appropriate handling of such documents.

One last word: I feel strongly about the political and moral responsibility concerning the so-called Recruit question, including personal matters that I reported today. The people's distrust of politics caused by this issue is very widespread. I fully understand that this is the most serious situation I have seen in my 38 years of political life, including that period when I was a town assemblyman. I believe that to overcome this situation and restore faith in politics, the most important thing is to make a clear judicial and political settlement of the Recruit issue as early as possible and at the same time, promote political reform. I will modestly hear out the opinions of the people and courageously handle the problem.

[Ono] Mr Tanabe.

[Tanabe] Mr Chairman, in either case I think that various problems arise from the fact that it takes money to do politics. In the first place, I think it is true that, since the Lockheed payoff scandal came to light, regardless of whether they are for the party or individuals, [fund-raising] parties have been held along the line that small amounts of political funds should be collected from a wide range of people. I think this is all right in itself. But there still remain various problems including one involving the amount of money and the like. Regarding the formula for fund-raising parties, however, when it was translated into practice, it became gradually clear that the law in question is not necessarily thorough. As you, Mr Prime Minister, replied earlier, the Morioka party was held by a voluntary organization. How to handle the money raised by such voluntary organizations is also unclear. This is another problem. At this juncture, I feel it necessary to make the purpose of a party clear and to make a clear distinction between those conducted by political organizations and others held by voluntary groups, thus exercising moderation so as not to be subject to public criticism.

Because I have no time, I will speak briefly. At the talks held by the heads of four opposition parties last 7 April, it appears that the resignation of the prime minister was discussed and a call for a Diet dissolution and conducting general elections was confirmed. Mr Prime Minister, in the statements you have made so far, you frequently stated that you have no intention of either resigning or dissolving the Diet. In my opinion, the Diet should not be dissolved with the issue of politicians' political funds, which is subject to such stern public criticism, left hushed up. I think that the matter should be reformed now in a convincing way. Problems are apt to be left unremedied if politicians remain ambiguous and if they put off a solution. Because the public levels so much criticism, I think you must firmly carry out reform in this area. I believe this is the way you can assume your political and moral responsibility. Mr Prime Minister, as you have just replied, you are saying that you will put a clear end to the affair. I also look forward to that. I hope you will carry out reform so that those who engage in politics will never again be exposed to such problems. I want to hear you comment on this one point, please.

[Ono] Prime Minister Takeshita.

[Takeshita] Leaders of the four opposition parties put spurs to and made various comments from various angles on my cabinet. Regarding this, I think that, from the viewpoint of party politics, it is their freedom and I also think at all times that I should humbly listen to what I must listen to. However, looking back on my own past, as I mentioned earlier, I strived in setting up support groups for many people during new year's days, and as far as I was concerned, I did my best to have strict discipline enforced in these activities. But if fund-raising parties and political funds should become issues as they have now, it becomes more clear than ever that I as the prime minister should not run away from this reality and think about how politics should be in the future and

initiate appropriate actions for political reforms, including aspects of administrative capabilities and reforms. I believe that this is the line of thinking I must follow.

[Ono] Mr Tanabe.

[Tanabe] Because of limited time, I would like to ask one last question. I had a chance to tour communist bloc countries for the first time in 1957. Since then, it has been my political conviction that Japan must not become a country like one of them, and I am confident that there has not been even one case of bills reviewed in this parliament which made our people cry or brought sorrow to them. I am confident about this despite all the charges from you gentlemen of opposition parties that the bills are meant as a change for the worse.

There are now words of criticism raised about the consumption tax. But we arrived at a decision on the tax after concluding that it is necessary for the future of Japan and for our children and grandchildren. What I want the people to know at this time is that I am confident that there has been not one law adopted by our party which has been designed to bully the people or to make them cry. I would like to ask the prime minister to give his thought on this.

[Ono] Prime Minister Takeshita.

[Takeshita] Our political system being based on party politics, it is natural that represented parties with their own political doctrines and principles present their differing views at the parliament. It is my belief that the ruling party which has been in power a long time should always listen to views of other parties. However, it is also my understanding that the ruling party's duties are to draw up policies aimed at improving the livelihood of the people and to have the administration carry out the policies as intended. I am aware of the importance of the duties of the government and the roles of the parliament as the legislative body. I first came on board the Diet in 1951. At that time, I was told by a senior member that there would be a day when the hands of power would be changed. He told me that it was important for us, fresh members, to prepare in advance for such a day and to possess the capabilities to return based on the merit of good policies. As it happened, I have been only with the ruling side so far, but I have made it a rule that we should be all the more strict for this reason. It has been also my basic rule that the supreme goal of our politics should be to serve the people.

[Tanabe] I would like to conclude my questions. Thank you.

[Unidentified NHK reporter] Mr Masami Tanabe of the LDP has finished his questions. Mr Tanabe has asked questions primarily regarding hard facts. Now Mr Kanji Kawasaki of the JSP and the Joint Group for Defense of the Constitution will ask questions. The length of time given to him for questioning is 69 minutes.

[Ono] Mr Kawasaki.

[Kawasaki] I have just heard the prime minister's explanations. But I do not think that the people outside Nagata-cho [town in Tokyo where the Diet and key central government offices are located] will be satisfied with your explanations. I think that the people—unhappy with or angered by the Recruit scandal which is spreading endlessly, the consumption tax which went into effect on 1 April, the liberalization of farm products, and so forth—are about to erupt. With this rising discontent and the anger of the people as a background, I would like to ask some questions on behalf of the JSP and the Joint Group for Defense of the Constitution.

First, according to opinion polls conducted by mass media, the support for the Takeshita cabinet has fallen across the board. [Word indistinct] polls showed a little over 10 percent of support while MAINICHI polls gave the overall support rate as 9 percent and ASAHI Television last night reported only 7.8 percent of those surveyed supporting the cabinet. In the case of the polls by ASAHI, comparisons were given on polls taken previously on 18 and 19 March and those taken more recently on 8 and 9 April, the support rate having gone down from 13.4 percent to 7.8 percent in that period of time. Between males and females, only 6 percent of females supported the cabinet while 9 percent of males supported it. In larger cities, the support rate by females was even lower—at 5 percent, coming closer more and more to the rate of the consumption tax which is 3 percent. With the rate of those not supporting the cabinet rising to 85.3 percent, on the other hand, it is clear that the rate for support of the cabinet now is far below the rates which had prevailed at the time when the Tanaka cabinet, Suzuki cabinet or Kishi cabinet decided to withdraw from power and resign.

The prime minister earlier stated that he takes this situation seriously, but I must point out at this time that the Takeshita cabinet has no support from the people and, therefore, that the cabinet has no basis for its existence. I would like to know how you plan to accept and respond to this situation.

[Ono] Prime Minister Takeshita.

[Takeshita] I have no intention of refuting Representative Kawasaki's remarks or the support rate for the cabinet. I think it is something I must accept humbly. Having been with the ruling party so long, I have always admonished myself not to be elated when the support rate was high and to accept the fact humbly when the support went down. I am aware we must double our efforts to restore the trust of the people when the support is very low, and, again, this is one of the reasons why we must initiate the political reform as explained earlier.

[Ono] Mr Kawasaki.

[Kawasaki] You reported earlier that in 1985 and 1981 you had received a total of 45 million yen in political funds from Recruit Co and its affiliated companies. For each of the political contributions received, would you please explain when, where, who, for what purpose the contribution was made?

[Ono] Prime Minister Takeshita.

[Takeshita] Data on what day of what month, where, and so forth are not here with me. However, political contributions—even when I make such contributions—are intended to be used to benefit Japan or for the political activities of the recipients. Therefore, I am in no position to volunteer from my side the reason for contributors' making such contributions.

[Ono] Mr Kawasaki.

[Kawasaki] On 20 October 1988, at a meeting of the Special Committee for Investigation of Tax Issues, Representative Sakagami of the JSP asked if you had received any political contributions from Mr Ezoe, Recruit Co, or Recruit Cosmos Co. In response, you said that you never received any contributions from either Recruit Co or Recruit Cosmos Co. That was your answer. You have now come before the Diet only after the mass media exposed you and there is no escape for you. You are worse than Mr Miyazawa in lying. I do not think you can make any more excuses. What have you to say?

[Ono] Prime Minister Takeshita.

[Takeshita] First of all, I would like to tell you that it is not my style to say something only when there is no escape. My way of life is that I am strict with myself. In reply to the question from Representative Sakagami—even though I do not remember exactly—I believe what I said at that time was that I had no accurate recollection of the matter.

[Ono] Mr Kawasaki.

[Kawasaki] I cannot pass over that remark. This issue came to the open in June, right? By then you had prepared what was called the LDP views. You must have looked into details of political contributions related to Recruit Co. You said to the effect that you cannot remember all of them since contributions were collected from several thousand people, and you also said that everything was reported under requirements of the Political Fund Control Law. In other words, you said that reports were made for each contribution. You clearly said that there were no contributions received from Recruit Co or Recruit Cosmos Co and added that this was clear from the reports. Do you still have anything to say to justify yourself?

[Ono] Prime Minister Takeshita.

[Takeshita] I think I said at that time that I would look into the matter, but I agree to having that part of my remarks in response to Mr Sakagami amended in stenographic records. As for the May 1987 party tickets, records on them were appropriately entered coming into the new year. I specifically instructed that records of all political donations be put in order, and what I reported today is the consolidation of the records.

[Ono] Mr Kawasaki.

[Kawasaki] You said conclusively at that time that everything was clear from all reports filed under the Political Fund Control Law, but there is nothing which shows how much you received. I have looked into the papers, but there was nothing, even though you said everything was clear from the reports. Is there any guarantee that this is all? Can you say that this is all? You will probably say again that since contributions are received from thousands of people, you cannot know them all. Then the news media will make further exposures. You will not be able to escape, and you will say you have learned about them after investigating. I must say your answers in the Diet are in disorder. You can also reproach me because I have served in the Special Committee on Tax Issues and in the Budget Committee. I regret that I must say all this to a prime minister of a nation. This is why the world is saying that Japan has no mechanism to control taxation and that democracy has gone down here.

All you are doing is scrambling every time a problem crops up. Mr Miyazawa was forced to resign after being found to have lied and finding no escape. You said everything was made clear as reported under the Political Fund Control Law, but everything has not been made clear. In making your report earlier today, you did not explain this point. I really think that Japan's democracy is being questioned. This is a crisis of the Takeshita cabinet and the LDP, as well as a crisis for Japanese democracy. I would like you to know that the public is angry over a crisis of Japan's democracy. You are not responding to this crisis.

I am not convinced with your answer with regard to Representative Sakagami's question. Your attitude is that everything is settled if the part in question is corrected. I would like to know what responsibility you plan to take?

[Takeshita] To your words of reproach, I have nothing to say. Coming from Mr Kawasaki in his current position, I am sure the views given are excellent as they are. He touched on my attitude, but I want to say that I am always willing to listen to the outpouring of criticism, and it is my belief that this is the way people of the ruling party should be. I do not think of scraping through and somehow getting away whenever there is a problem. I willingly listen to all remarks such as yours, and when there are points on which I should reflect, I do so. I believe I must carry out my duty to the people of Japan to conduct fair and just politics.

[Ono] Mr Kawasaki.

[Kawasaki] Regarding the issue of the shares transferred before being placed on the stock exchange, you conclusively said in response to Mr Sakagami's question that except for 2,000 shares for Mr Aoki, there were no other shares involved. In other words, you made it clear that no shares were received. But then the JSP exposed the part received from Big Way, and you had to hurriedly come up with an excuse on the 10,000 shares to Mr Fukuda.

Your way of doing things is to say first that there are no political funds received, but when there are reports revealing that you did receive them, you then say that an investigation revealed that such funds exist. It is the same with shares, political funds, and political contributions. Do you have any more excuses?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] As for Mr Sakagami's questions, I certainly did my best to answer them as thoroughly as I possibly could, though it may sound like Nagata-cho logic. In reviewing how much of an amount...[changes thought] It is true that I have received political donations from several thousands of people. And it is also true that I have filed correct reports in accordance with the stipulations of the Political Fund Control Law each year. However, the expression I used was something like: It is utterly untrue that I have received some amount. Now that I read the records, I feel that in making those remarks, I was trying to say that I could not remember how much it was. [laughter among the audience]

As for the unlisted shares, it was not until the investigation was made into the so-called Big-Way Co stock dealings, or until the JSP investigation results were made public and questions were made that I had received any reports. And it is true that such was the case.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] I would like to ask the minister of home affairs a question. It is said that reports were filed in 1986 on donations of 10 million yen, another Y10 million, and also 5 million yen. If such was the case, these donations have exceeded the limits for donations, when the capitals of the Recruit Co, or the Recruit Joho Co, or the Recruit Furomu-E Co or the Recruit Cosmos Co are taken into consideration. What do you think of this?

[Ono] Director Asano of the Election Department.

[Asano] The names of several companies have been mentioned just now. We have heard some of the names for the first time. We have looked into the capital of the Recruit Co because it is listed in the Company Handbook. According to our investigation based on this Company Handbook, the capital is listed as Y1.4 billion for the first half of 1987.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] An explanation seems to have been made for the unlisted share issue and the political donations issue that have already been made public. Well, then, will this be the end? Can you make a definite conclusion that there absolutely will be no more?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] Please allow me to repeat this: As Mr Kawasaki has pointed out, in my reply to Dietman Sakagami's question, I made a promise to look, in my own way, into the reports filed in accordance with the stipulations of the Political Fund Control Law as these issues are made clear in these reports. However, it is utterly untrue that I have received funds from the Recruit Co or the Recruit Cosmos Co as you have just mentioned. And in saying that I have not received any funds, I think it should be taken to mean that my memory had failed me. [laughter among the audience]

Well, now, as to the point at issue now, because I am not a god, when I am asked what will come next, I am quite at a loss as to how to answer. However, at present, I myself do not expect at all that such things will come out.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] Well, these matters will be clarified one after another in further investigations. Now, I would like to ask the Ministry of Justice some questions. According to the view stated by the LDP, the donations made after June 1988 are questionable while there is no problem as to the donations made before that. As far as the investigating authorities are concerned, they are now investigating, or looking into, the unlisted share dealings or political donations made through the three channels, including the Nippon Telegraph and Telephone [NTT], the Labor Ministry, and the Education Ministry. In other words, the dealings or donations made prior to June 1988 are subject to investigation, aren't they? Well, does it then stand to reason that there will be no problems concerning the dealings with or donations to politicians prior to June 1988? In other words, the investigations are currently made into dealings with the politicians. I feel that the investigations are now being made into such issues as how the unlisted shares are handled. How does the situation stand now?

[Ono] Director Nemuro of the Criminal Affairs Bureau.

[Nemuro] Since the start of the investigations, we have made reports to the Diet every time some measures were taken. In this connection, we hope that you can understand the situation in accordance with these reports. As for the politicians, we are not in a position to say this and that about them. I hope you can understand our position.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] While civilians can become the subject of investigations, politicians cannot. There cannot be such an unfair situation. I think that investigations into their affairs should also be in progress now.

Next, I would like to ask a question about the purchase of 30 million yen tickets for a party held in Iwate Prefecture. In the prime minister's remarks, he avoided the issue, saying that the party was not sponsored by his office. It is said that the party was sponsored by the Iwate Long-term Policy Forum. I would like to ask a question about the nature of this voluntary organization later. The party was held in Morioka city in May 1987—9 days after a party was held in Tokyo on 21 May 1987, at which some 2.1 billion yen was collected for the prime minister while he was serving as the LDP general secretary. According to reports made by Deputy Chief cabinet Secretary Ozawa on various occasions, including reports at the Upper House Audit Committee session and at press conferences, the Recruit Co purchased 500 tickets at 20,000 yen each. How many personnel connected with Recruit are there in Morioka? Mr Prime Minister. [laughter among audience members]

[Ono] Prime Minister of the cabinet Takeshita.

[Takeshita] That I don't know.

[Ono] Mr Kawasaki.

[Kawasaki, speaking simultaneously] Mr Chairman. It has been reported that tickets were also sold to others for 30 million yen, [correcting the figure] 20 million yen, and that in total, a profit, or a revenue of 50 million yen was obtained. After the party, you played golf at Appi golf course. It is reported that a total of about 9 million yen was used to pay for the golf games and other activities. Then, it follows that out of 50 million yen, approximately 10 million yen was used as expenditures. Out of this fund, 20 million yen was transferred from Mr Ihei Aoki, secretary to Deputy Chief Cabinet Secretary, to your former secretary Mr Ihei Aoki [as heard] as a deposit. The report goes like this. If this is the case...[changes thought] Is Deputy Chief cabinet Secretary Ozawa here today or not?

[Unidentified voice] He does not seem to be here.

[Kawasaki] It seems that the deputy chief cabinet secretary is not here today. Anyway, 20 million yen is described as Mr Ihei Aoki's deposit. If that is the case, how is this fund taken care of as a deposit now? I would like to ask Mr Prime Minister.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] As I have just mentioned, I am not quite familiar with this Iwate Long-term Policy Forum. Among my supporting groups... [corrects himself] Excuse me. Among the organizations that have been reported in accordance with the Political Fund Control Law, there is one named the Long-term Policy Forum. If I am correct, there are about 40 chapters throughout the nation. And some of these chapters are named in accordance with the names of the prefectures. And I understand that some of them may have filed reports with the prefectural election administration commissions.

In this connection, as far as the Iwate Long-term Policy Forum is concerned, the name is a little different. However, it is true that there has been a plan to turn this organization into a chapter or a political organization in the future. I have learned that promoters and others have met. I feel that when I attended the meeting there, it turned out to be sort of an expanded preparatory meeting. At that time, I had a plan for a speaking tour of the nation. However, since conditions were not created for this national speaking tour later, the Iwate organization has so far remained as an organization which is neither a political organization nor a chapter of the central political organization. Therefore, it was stated then that the fund should be deposited in my office safe as funds, so to speak, for turning the forum into a political organization. This is what I understand of the situation.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] Therefore, is the fund deposited in cash, in checks, or in a deposit passbook?

[Takeshita] Mr Chairman.

[Ono] Prime Minister of the cabinet Takeshita.

[Takeshita] Funds are handled in various forms, but I think it is in cash.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] In that case, who handed over the fund to whom as deposit?

[Takeshita] Mr Chairman.

[Ono] Prime Minister of the cabinet Takeshita.

[Takeshita] To be more accurate—it will be undesirable to be inaccurate—I will make a report on this point in the future.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] If that is the case, there must be 20 million yen in cash kept in a safe in your office. Is this not so? You keep 20 million yen in cash, do you not? And for this deposit, you can present a deposit receipt here, can you not?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] Well, I do not understand very well what this deposit receipt means. However, deposit is a term used in accounting procedures. I do not think there is such a legal term as deposit in the Political Fund Control Law. [Kawasaki tries to interrupt, but Takeshita continues] In this connection, it is precisely the money that has been deposited with us. [laughter among audience] Therefore, it is not a question as to who will issue the deposit receipt, and I think there are funds in that amount kept in my office safe.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] Nevertheless, in this case, it means a private organization brought ¥20 million in funds and just generously put them in the safe of Takeshita's office. Right? From whom to whom? According to the explanation just made, the funds are to be used as preparatory funds for turning the organization into a chapter in the future. If that is the case, from whom in Iwate were the funds sent to whom at your office? And to put things in good order, wouldn't it be rather unusual that there is no deposit receipt? This organization in itself is questionable—I mean the voluntary organization in Iwate. You say there are some 40 chapters that have filed reports with prefectural election administration commissions in accordance with the Political Fund Control Law.

However, fortunately—yes fortunately—since the Iwate Long-term Policy Forum has not filed a report, it remains as a voluntary organization. And in this way, you have attempted to give an evasive answer. Well, can political funds be collected from voluntary organizations? So, first of all, I would like to ask you about this deposit. In concrete terms, how is the deposit receipt kept at your office? In other words, I think there are more deposits than 20 million yen; perhaps another 10 million yen here, another 30 million yen or 50 million yen there, all piled up and kept in the safe?

In this connection, if you say the case can be clarified, please present the deposit receipt indicating from whom to whom the funds were sent and how the funds are kept. The nation in general has distrust in politicians' management of funds. Therefore, please make public this deposit receipt.

[Ono] Prime Minister Takeshita.

[Takeshita] I can well understand that the nation in general is critical of politicians and their loose handling of so-called political funds. It is true that we actually have funds in our deposit. However, it is not a question as to who should issue a deposit receipt to whom. In my opinion, this is based on the mutual trust between each other.

And I would like to explain another point so there will be no misunderstanding. When I said there are chapters in various prefectures—I think there are less than 40 prefectures that have chapters—the funds of these chapters are under the management of the central office. In some prefectures, it so happens that when these organizations were established, the names of the prefectures were used, and they have filed reports with the prefectural election administration commissions. It is true that there are some such prefectures, though only a few.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] If that is the case, the funds have been kept there for two years. Is there no other such deposits, if that is the case? At any rate, a line must be drawn to clarify this matter. Each case of such matters is a major reason for distrust in politicians. In this connection, funds have been given or taken with trust but without any deposit receipts? Where can we find such a world? And distrust lies in such matters. That is why I think it should be clarified. If you say there is such a deposit receipt, I would like for it to be clarified as to who in Iwate sent funds to whom in your office and how it was handled.

[Ono] Prime Minister Takeshita.

[Takeshita] Of course, the circumstances then were not such that I could use the funds of my own accord. [laughter] While making my answer, I am aware that the people feel an exceedingly careless handling of political funds involving politicians. I think that personal trust is the most important thing; however, I will pay full attention to your advice to the effect that personal trust must not go beyond the socially permissible limit in terms of common sense.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] You say you will pay full attention, but such an apologetic explanation is not enough to satisfy me. You appear to be explaining that the plan to turn the organization into a chapter was not implemented and the funds remained deposited because there was no party presidential election. However, it is very unusual to transfer funds without a deposit receipt. It is very unusual, is it not? While making your answer, I feel you are blushing a bit for shame. Therefore, in order to

clarify the situation, I would like you to present to the Diet something that proves that someone came to your office at a certain time and deposited the funds. I want you to do so, please.

[Takeshita] Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] Perhaps... [changes thought] I do not think a deposit receipt was issued. It may be issued later belatedly. At any rate, we should be very prudent even in handling a matter related to personal trust among politicians. I would like to make this case a lesson for the future.

[Kawasaki] Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] What I am trying to say is that we would like to have something that can clarify once and for all that the money was deposited. But, what about the remaining 20 million yen?

[Ono] Prime Minister Takeshita.

[Takeshita] I do not know about it myself.

[Kawasaki] Chairman.

[Ono] Kawasaki.

[Kawasaki] I thought that everyone concerned, including Deputy Chief cabinet Secretary Ozawa, would be here to listen to your explanations. I should have previously named them to have their attendance here. I am afraid I was wrong. In his recent explanations at the Audit Committee and a press conference, the deputy chief cabinet secretary said that 20 million yen were deposited in your office and nearly 10 million yen were defrayed for expenses, including golf expenses. Where is the remaining 20 million yen? Please excuse me if I am wrong, but isn't it possible that you and Mr Ozawa divided the money, 20 million yen for you and another 20 million yen for Mr Ozawa? Mr Ozawa is not here today. I regret that Deputy Chief cabinet Secretary Ozawa is not here today. Well, I can say that the so-called party in Iwate was an event marking your first appearance on the campaign trail. It was not simply a support gathering. Therefore, one cannot find a way out by simply saying that it was a voluntary organization. I think that it was a political organization and naturally had to be subject to the Political Fund Control Law. What do you think?

[Ono] Prime Minister Takeshita.

[Takeshita] Under the Political Fund Control Law no report was required. Accordingly, it was actually not a political organization. It is impossible for me to conduct

full arguments and make necessary answers here regarding the Political Fund Control Law. You said that the money might have been divided between the two of us, 20 million yen each. I have not gone down so terribly far in the world. [laughter]

[Kawasaki] Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] We have the Political Fund Control Law, and it perfectly defines what a political organization is. Without making a report required by the law, it cannot collect political funds. You say that it was a voluntary organization as it made no report. Then, are they all voluntary organizations if they do not report? You said that there are some 40 branches directly connected with the central organ, but the one in Iwate did not, incidentally, make a report. This is indeed a convenient argument. Over 40 branches made the necessary reports, but the one in Iwate did not, so it was a voluntary organization. By making this argument, you are trying to slip away from the grips of the law. It is such an attitude that causes the people to have serious feelings of distrust, is it not? I think there is no room for excuses.

The 40-odd branches properly made reports. They are directly linked to the center. The one in Iwate happens to be the Iwate Forum on Policy, and it is a voluntary organization. Is this not too convenient? I have no choice but to conclude that this is an attempt to evade the law, the Political Fund Control Law. What does the home minister think?

[Ono] Election Department Director Asano.

[Asano] Regarding your question on what a political organization is, it is just as stipulated under the Political Fund Control Law.

[Kawasaki, interrupting] There is no time.

[Asano] It has specific purposes—original objectives—and continuously carries out activities to those ends. There is a variety. Regarding the holding of parties, there seems to be a variety of forms of holding parties. Of course, there are cases where a political organization sponsors them. There are instances in which so-called impersonal corporations, which are not necessarily political organizations, sponsor parties. There also are instances in which individuals are the sponsors. When a party is sponsored by an impersonal corporation which is not a political organization or by an individual, the sponsorship itself does not have to be reported. When the same impersonal corporation or individual sponsors another party, then the Political Fund Control Law becomes applicable.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] This is common; the corporation is then disbanded. After all, it is a temporary earning accrued at that particular time only. But this money has been in the custody of your office for 2 years. Therefore, I have very strong doubts about it. If it is a voluntary organization, what about taxes? Has it been reported to the National Tax Administration Agency [NTAA]? Does this not constitute tax evasion? What about these points? NTAA, please?

[Ono] NTAA Director Ito.

[Ito] Because of the nature of the case at issue, I would like to refrain from answering your question in concrete terms [boos] and, instead, state my views in general. When the sponsor of a party is an impersonal corporation, what happens to the tax situation at that stage? Taxes on impersonal corporations, as you know, are prescribed under the Enforcement Decree of the Corporate Tax Law. The point is whether their funds fall within the purview of profitable business prescribed under the law. The sponsorship of a party does not fall within the purview of profitable business enumerated in the law. Therefore, I think that at the stage of an impersonal corporation sponsoring a party, conditions for taxation have not been accrued. When proceeds are handed over to individual politicians or organizations from impersonal corporations sponsoring a party, I believe that, in the case of individuals, the proceeds constitute miscellaneous income. When there is a balance left from the proceeds after deducting expenses spent for political and other activities, the balance will constitute miscellaneous income; and if not, there will be no conditions accrued for new taxation. When the proceeds are again loaned to another impersonal corporation, I believe there are no conditions for new taxation, as I mentioned in the beginning.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki, go ahead, please.

[Kawasaki] There was a party, and there were earnings accrued. After paying expenses, there was a balance of 20 million yen left. Is this miscellaneous income or political funds?

[Ono] NTAA Director Ito.

[Ito] I believe your question is on a little different level from corporate taxes. What I have been saying is that conditions are accrued for taxation for an impersonal corporation when its proceeds fall within the purview of a profitable business. The fine point regarding what constitutes a profitable business is listed under a government decree in 33 items. When a profitable business falls within the purview of the list, conditions for corporate taxation are accrued even if the organization is an impersonal corporation; but, when it does not fall within that purview, there are no conditions for taxation in that particular stage. The sponsorship of a party itself does not fall within the purview of a profitable business.

Therefore, even if there is a balance left from earnings and expenditures, that fact alone does not immediately constitute a condition for the levying of corporate taxes. This is what I have been saying.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] It is said that the Forum on Long-term Policy has some 40 branches. I have no idea how many parties have been held in which Recruit was involved, but can you definitely state that there were no Recruit-involved parties at all at such parties held by those branches?

[Ono] Prime Minister Takeshita.

[Takeshita] I came here after doing a little survey on the parties I have held. On 18 March 1983 in Tokyo, there was a gathering to celebrate 25 years of Noboru Takeshita's Diet activities. On 24 September 1983 in Hiroshima, there was a party for Finance Minister Takeshita. There was also a party to celebrate 25 years of my Diet activities on 27 October in Osaka. In 1984 in Fukuoka, there was a gathering to embrace Noboru Takeshita. In September 1985, there was another gathering to embrace Noboru Takeshita in Hiroshima. I have been told that there were no party tickets purchased by Recruit personnel for these parties.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki, go ahead please.

[Kawasaki] Then, I would like to ask you a little more about your parties. For the May 1987 party in Tokyo, you say that the Recruit Co bought 20 million yen worth of party tickets and the Cosmos Co purchased 30 million yen worth of tickets. Now, the Cosmos Co has 600 employees—600. Even if all of its employees attended the party, there should have been no more than 600. But it bought 1,000 party tickets. You call it a purchase of party tickets? Do you think this makes sense? In the Morioka case, it was 30 million yen, was it not? Since a ticket cost 20,000 yen, it amounted to tickets for 1,500 persons. Does this make sense?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I have always answered this question. I have been saying that the figure goes beyond the limits of common sense. Generally, however, when a party is held, there tends to be individuals volunteering to take over and then indirectly playing an intermediary role to many other people. I believe this is a realistic problem. Anyway, you ask if this amount involving only one company is not too much. I completely agree with you.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] As you reported in the beginning, since 1985 you have raised a total of 151 million yen, have you not, according to your report? This includes political donations, party tickets, expenses for policy study group meetings, and the sales profits of Mr Aoki and Mr Fukuda earned in their individual capacities. They come to a total of 151 million yen. In a very short period of time, Mr Ezoe of the Recruit Co suddenly donated political funds to you and made various approaches to you. You have been responding to him. You have been associating with him. What was your purpose? You received those political donations from Mr Ezoe with pleasure to get his help in your political activities or in your activities for the prime minister's post. Is it all right to construe it that way? To date, it has been said that Mr Ezoe had been particularly close with Mr Nakasone and Mr Abe. But, according to your report, he has donated a huge sum of political funds to you and has been associating with you. For what purpose do you think Mr Ezoe made approaches to you?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] To the best of my recollection, I do not recall Mr Ezoe asking about a specific subject or question. But it is true that after I assumed the premiership, I had him become an inaugural member of a study group. I also believe he attended its meeting once. But I think it will be proper for me to say that I am in no position to answer what he had in mind with respect to me and my close associates. [laughter]

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] On those who donate political funds and politicians: You received political donations from thousands of people. That is what you said. You received an abnormally huge amount of donations in a short period. You received them without concern. In the Nakasone administration you were finance minister and secretary general and you had your eyes set on the next premiership and presidency. He was staking everything on that fact. He was wagering on Mr Nakasone, Mr Abe, you, Mr Miyazawa, and many others. So it is needless to say that Mr Ezoe had an ambition. But you received those donations without concern. I think this points to the abnormality of political funds in Japan today, the abnormality of this so-called Recruit scandal. So, what do you think about this question? From the viewpoint of political ethics and morality, what do you think about this question? Your perception will also hold the key to your solution of this problem. I want you to answer me.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I have already made clear my view on political donations per se a while ago. You said that the fact that political donations were concentrated in a very short period of time might give rise to the people's distrust of political donations. I agree with you on this point. Even though I am not personally involved in each and every one of these cases ... [changing thought] To come to think of it, an election was held in 1986. To avoid arousing distrust in politics among the people to such a degree, there are such problems that concern the Political Fund Control Law and the Public Office Election Law. These are the tasks that we have to tackle courageously from now on.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] I would like to go on to the question of the three items in a set. Mr Ihei Aoki's documents are said to be available. Is that right? As to the stocks in the name of Mr Fukuda, when he sold the shares, he was supposed to file a certificate of securities transaction. Is it not so? I think so. Thus, this is a clerical procedure stipulated by the Securities Transaction Tax Law. Therefore, as a matter of course, we can obtain a copy. Am I right in thinking so?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I think it will be alright for the Diet, specifically the steering committee, to discuss the question of what to submit. What I stated a while ago was that with regard to Mr Fukuda's certificate of stock transfer, we can request the company concerned to get a copy. However, in reality, such certificates of stock transfer, I mean in most cases, are not well kept. As to the present issue, I have seen all the documents but I am not confident enough to answer accurately which document Mr Kawasaki is referring to. Please proceed with the discussions.

[Ono] Mr Kawasaki.

[Kawasaki] I mean the so-called three items in a set. Those in the name of Mr Aoki and Mr Fukuda... [changing thought] You have said that Mr Fukuda's documents involve personal matters. At this time, they concern the prime minister of a country, and the people are very suspicious about the issue of political donations. The need to clear up things, I think, should surpass personal feelings. You ought to say: I will do it. Although the issue of the three items in a set will unmistakably be taken up in the steering committee later, actually, I think you ought to clarify things right here and now. When you defended yourself, and since last year you have been repeatedly talking about the three items in a set. I deeply regret the

fact that you have not made things clear. I hope that you will promise: I will do it and clarify the matter as early as possible, then accept the people's judgment.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] With regard to this matter, it was a personal decision after much thought. On the matter of my voluntarily submitting the documents, I hope the steering committee deliberates on the manner of submission and other concrete details. My decision to submit the documents remains unchanged.

[Kawasaki] Mr Chairman.

[Ono] Mr Kawasaki.

[Kawasaki] Six months have elapsed since you first mentioned the three items in a set, as you have been told earlier. Therefore, I am asking you to make a clear settlement as early as possible.

Now, amidst the process of the Takeshita cabinet's promoting a consumption tax or the forming of the cabinet late last year, within a month or so from December 1988 to the end of January 1989, Finance Minister Miyazawa had to resign in connection with the question of the three items in a set concerning 10,000 shares. Then, three days after forming the cabinet, the all-important minister, Justice Minister Hasegawa resigned. Additionally, in late January, Economic Planning Agency Director General Harada, with the rank of a deputy prime minister, resigned for his involvement in the Recruit shares or donations. All three men... [interrupted by catcalls: "Not stocks!"] That is why I said shares or donations. [interrupted by catcalls: "Stocks not involved!"] It was stocks in the case of Mr Miyazawa. Now, may I? Messrs Miyazawa, Hasegawa, and Harada, your cabinet members, all resigned for Recruit suspicions. You yourself, your testimony in the Diet; that is, your statements in the Diet Special Tax Committee have been overturned. They have been revised today. I think this is not a matter that can be settled with revisions. Thus, I believe that considering the series of events, you are the highest responsible person.

The highest responsible person is now facing very stern criticism from the people for Recruit suspicions. You yourself ought to assume responsibility for the matter. You are not qualified to undertake political reform. I have said this during the general interpellation at the Budget Committee. There is no need for you to carry out political reform. There is no need for you to do it. You ought to assume political responsibility and proceed to resign or initiate a cabinet resignation. And then, you ought to clarify things and seek a vote of confidence from the people and accept the people's judgment. After that, we can proceed with political reform. Your hands are

dirty. That is why I am saying you...[incomplete sentence] A while ago you claimed that you are taking the matter seriously and said that is why you will carry out political reform. I think the people will not accept that. Therefore, at present what the people want is the dissolution of the lower house. Compare the logic in Nagata-cho and outside Nagata-cho. As the prime minister of this country, you said that right now Japan's democracy is being questioned. I have brought with me NEWS-WEEK's stinging criticism of Japanese democracy. It is said that economic power—Japan—has no mechanism to prevent corruption. Stringent criticisms have been coming from the United States, Britain, Europe, and Southeast Asian countries.

When I inquired about this matter in the first special committee on the tax system—was that on 14 September?—I pointed out that in Max Weber's book on politics as a profession, there are two types of politicians. One lives for politics while the other is intoxicated by politics and engages in politics for the sake of power and money. Max Weber pointed out that there are two choices for politicians in his book on politics as a profession. I had pointed that out to you when I asked questions in September. Although it is extremely impolite to say this to a senior official, right now I am going to say that you have been intoxicated by politics and you are pursuing power and money. As has been revealed by facts so far, you defend yourself whenever the newspapers and media have exposed your deeds. It is a repetition of this pattern. Do you think you can reform politics in Japan and raise the quality of democracy now? Do you think there is something you can do to revive and guide democratic politics in Japan? Do you have the ability? I would like to ask if you have the determination.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] You used the word senior. I am not a senior, but as a long-time colleague, I sincerely accept your counsel to me. On concrete issues, regarding Max Weber's two types, all these years I have engaged in political activities aimed at becoming the former type of a politician. As mentioned earlier, the Recruit issue, in which I am, of course, involved, has become a major cause for the present distrust of politics. I have never encountered such a big problem in my 38 years of experience. Therefore, precisely for this reason, I believe that I should at least preside over the political reform. I am the prime minister of the cabinet. I cannot escape this. Thus, I reiterate my intention to implement my views.

[Kawasaki] Mr Chairman.

[Ono] With this ends the question of Mr Kawasaki.

[Kawasaki, interrupting] Looking at reports on your support rate, the foundation of your political regime is collapsing. With a stern observation on this I will end my remarks. [applause]

[Ono] Next, Mr Shosuke Miyachi.

[Miyachi] On behalf of the Komeito National Council, I will proceed to address questions, mainly to Prime Minister Takeshita, focusing on the Recruit issue which is the subject of great interest to the people.

The greatest distinguishing feature of the present Recruit incident is the structural corruption involving the political, bureaucratic, and business circles during the administration of former Prime Minister Nakasone. Former NTT Chairman Hisashi Shinto, said to be the top man in business circles, has already been arrested and indicted. The apex in the bureaucratic ladder, former Vice Minister of Labor Kato has also been arrested and indicted. In addition, former Vice Minister of Education Takaishi has been arrested and is being detained. The arm of investigation is being extended to the political sector. Under such a situation, we have learned from the report given a while ago that from the testimony heard today alone, funds amounting to a total of Y151 million in the form of purchase of fund raiser tickets, profits from dealing in unlisted Recruit Cosmos shares, or political donations have been given to people close to the incumbent Prime Minister Takeshita by the Recruit group over the 3-year period from 1985 to 1987. For sure, the Recruit incident has plunged the very basis of parliamentary democracy into a crisis with its principle that money can move politics.

Right now, in the eyes of the people, not only the Takeshita administration but also the very existence of the LDP's one-party rule have become the target of harsh criticism. That is, their understanding is that indulgence in power brought about by 40 years of the LDP's extended one-party rule has given rise to the present situation. A while ago, the prime minister said that regarding the present Recruit issue, a clear judicial and political settlement is necessary. Such was his explanation. Mr Prime Minister, I believe that in order to eliminate the people's present distrust in politics, for the sake of the development of the Japanese parliamentary system and democracy in the future, and for the international reputation and national interest of Japan as an advanced country in the free world, one ought to take the moral responsibility even more seriously and clarify things to the people. I would like to hear the prime minister's views on this.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I absolutely have the same perception as noted earlier by Representative Miyachi. Therefore, I think that what is at issue now is the so-called self-purifying ability. As part of this self-purifying ability, I

have been stating my answers to various questions today. This was no more than a part of efforts to enhance the self-purifying ability. However, I think that by clarifying the processes of the events that have led to the current state of affairs, we must undertake political reforms from now on so that there will be no more such an environment in which such practices can be carried on again.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] Hearing Prime Minister Takeshita's explanations at this committee meeting today, I do not think that the prime minister is thinking of such political logic, but this must be ascertained. I regret this very much. Prime Minister Takeshita, you are not trying to use your explanations to the nation at the venue of this Budget Committee today as a means of recovering your centripetal force to prolong your rule. That is not your logic, is it? I want to ascertain that point.

[Ono] Prime Minister Takeshita.

[Takeshita] I read arguments of that tenor, but I do not have the slightest intention like that.

[Ono] Mr Miyachi.

[Miyachi] The biggest problem in the current public distrust of politics lies in the fact that it concerns Recruit contamination of, and scandals involving, Prime Minister Takeshita's close associates and it also concerns scandals involving former Prime Minister Nakasone of the previous administration. Stemming from the fact that suspicions are directed at two successive prime ministers who represent Japan, the nation feels indignation and places no confidence in politics. As I said at a committee meeting the other day, Prime Minister Takeshita, if you claim to be innocent, you should, first of all, show to the nation all the evidence on your own initiative. I think that you should show in all sincerity and modesty every aspect of the matter in full view of the people. Another thing I want to point out is that a majority of the people today believe that former Prime Minister Nakasone should comply with the call for his summons to the Diet for testimony. The nation is watching this. At a recent meeting of knowledgeable people, Mr Jun Eto, professor at Tokyo Institute of Technology, made a stern proposal, saying that, when someone—he may even be your teammate—violates the rule, you should make a costly sacrifice in the cause of justice [naite Bashoku-o kiru]. Prime Minister Takeshita, are you prepared to provide or publish all the data concerning your innocence to the people? Are you resolved to make recommendations on the question of summoning former Prime Minister Nakasone for testimony as I mentioned just now? I want to ask you about these points.

[Ono] Prime Minister Takeshita.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] Regarding the present Recruit incident, I agree to the opinion that, first of all, I should clarify my own suspicion as far as possible before the nation by bringing the self-purifying ability—which I have just mentioned—into play. I think this is a task for which I should do my best to carry forward. And concerning the incident, I am fully convinced that strict and adequate investigations are under way now.

Then comes the issue of summoning former Prime Minister Nakasone to testify. I am fully aware that much argument about this issue has been exchanged at the Diet. At the same time, I fully understand that there also exists such a perception as Representative Miyachi has just stated.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] It has been pointed out by some learned men that all the evils of the two prime ministers' involvement in the Recruit scandal can be traced to the fact that too much money is spent on the LDP presidential election. Is it not of significance that you should state your determination concerning this point to the nation? What do you think about this point, Mr Prime Minister?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] It takes funds to carry out various political activities such as publicity. However, we understand that the funds needed in promoting presidential election campaign are limited to the funds for publicity or propaganda activities such as the activities for publicizing policies.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] Now that collusion of money with politics has caused such a serious pollution, I am one of those who feel seriously apprehensive about whether the prime minister is really capable of exercising his leadership in his capacity as the leader of the political and administrative sector.

According to opinion polls recently conducted by various mass media, the support rate for the Takeshita cabinet has plunged to the record low. And it is reported that the non-support rate has already exceeded 60 percent. Among the major reasons for not supporting the cabinet, one states that Prime Minister Takeshita's leadership is questionable. Other reasons mentioned state that his speech and conduct cannot be trusted or that he takes a negative approach toward the work for purifying

politics. And in the current situation, the rate of those who mentioned these reasons has surpassed 30 percent and reached nearly 40 percent. It is none other than the political posture of Prime Minister Takeshita himself that is in question now.

Regarding such strict views stated by the nation, it is no exaggeration to say that the indignation of the so-called silent majority, which cherishes its unexpressed views, has already reached its limit. I would like to ask the prime minister how he understands and how he is going to eliminate such a situation.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I have always kept in my mind that I must listen, in a humble way, to what has been repeatedly pointed out in the opinion polls, including my own lack of discretion. In this context, regarding the issue that is the most serious reason that has led to distrust in politics, I feel anew the need of political reforms. In view of the current national sentiment, I understand that the task assigned me now is to find a key to start the political reforms step by step in such areas as the Political Fund Control Law and the Public Office Election Law, although there may exist some dissociations [kairi].

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] Mr Prime Minister has just mentioned political reforms in a few words. According to opinion polls conducted by other mass media, what the nation most wants in political reforms are the establishment of political ethics, control of political funds, and revision of the election system. And what is most noteworthy is the nation's view concerning parties held to collect funds for politicians. Nearly 60 percent of those polled believe that politicians, taking advantage of their power, have been collecting huge funds that are tax exempt. Moreover, in replying to the question whether Prime Minister Takeshita has been positively tackling the task of political reform, 67 percent—a surprising rate—of those polled answered no. Mr Prime Minister! This is honest indignation toward politics among the nation, the people in general, and it is one of the major reasons that have led to distrust in politics. Mr Prime Minister, if you continue to merely talk about political reforms, the nation will certainly not follow you. I would like to ask Mr Prime Minister about his views on this point.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] As the prime minister of the cabinet under the current situation in which such a problem has developed, I myself regard political reforms as an issue

that cannot be avoided. In this context, reforms can be promoted in actual practice through the activities of such organizations as the council to study the election system. Moreover, there is the committee to promote so-called political reforms, commonly known as the Gotoda committee, which has been established within our party and is now ardently engaged in its work. And as far as the cabinet is concerned, we have set up a forum of experts so as to listen to their opinions.

In my view, it will be necessary to classify these various opinions into suggestions for long-term, medium, or short-term tasks, and to find a key to start creating a better environment under which guidelines for political ethics which this House of Representatives has specially worked out, as well as the norm for [words indistinct] can be easily observed.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] The Komeito regards these problems as issues connected with political reforms. And they include the institution of a political ethics law—or in more concrete terms, formulating norms for political ethics and making public dietmen's properties—the establishment of a committee on political ethics, the revision of the Political Fund Control Law, the prohibition of donations by enterprises or organizations, the thorough enforcement of the system of making public political funds, control over parties held for political purposes, and the revision of the Public Office Election Law concerning the election of 471 members of the House of Representatives and the reapportionment of Diet seats. We are seriously tackling each and every one of these problems, and we are now soliciting the nation's suggestions on these issues.

As I have stated so far, I sincerely hope that Mr Prime Minister will endeavor to restore the people's trust in politics. I would like to state my views later as to what should be done and how to shoulder the responsibility. The people will not be satisfied now with mere talk nor with pathetic or superficial handling of the issue. I feel that we are now at such a stage.

In this connection, as time is limited, I would like to ask questions in concrete terms. Mr Prime Minister, you have just stated that concerning the three items in a set, and concerning the transaction contract in particular, your former secretary Aoki's document is available while Mr Katsuyuki Fukuda's transaction contract is not. You then stated that if Recruit Co. should have a copy, it could be made known from this source. Your statement sounds like turning to others for help.

First, I would like to ask Mr Prime Minister this question: When do you plan to make public the three items in a set, including the transaction contract? And concerning Mr Kazuyuki Fukuda's transaction contract, is it really true that the document is not available? Concerning this

issue, it has also been reported that when Managing Director Mamiya called at your office, the so-called incorporated transaction contracts of former secretary Aoki and Mr Kazuyuki were exchanged. Is this report true? And after the three items in a set connected with those close to you have been made public, in your capacity as LDP president, do you plan to instruct General Secretary Abe, Chairman Watanabe of the Policy Affairs Research Council, and others who are believed involved in the case to present such three items in a set to the nation? I would like to ask your views on these questions.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] What I said was that Mr Fukuda does not have records of the sales contract and that since Big Way Co, which was the dealer, should have copies of the contract, I think it should be possible for us to get copies from the company with their cooperation.

To be sure, I do not have much experience in such matters, but I am told that sales contracts are well kept among business circles but not so well kept amongst private individuals. As far as the one for Mr Aoki is concerned, I saw it myself, and there is no doubt that it was properly prepared with correct seals and that it did exist.

As for the one for Fukuda, I said, it would be possible to get copies. Regarding the time period, however, there is a problem arising concerning provisions under the Stock Transaction Law governing the transfer of shares. There is a case still pending—on charges of suspected violation of the law. I have no choice but to take this into account from the viewpoint of common sense. I am thinking of proposing that the executive council review this matter. Now, about the question whether I am thinking of extending the idea of the three-item set to other areas, I would like to say only that I should be allowed to present my voluntary views as the prime minister.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] I request to have your confirmation. Concerning the 12,000 shares involving the people around you, while it is alleged that Executive Director Shinjiro Mamiya of Recruit Co. concluded a contract on transfer of all 12,000 shares with Ihei Aoki, your former secretary, at your office in Koji-machi, Chiyoda-ku, and that the title for 10,000 shares was transferred to your relative Katsuyuki Fukuda at that time, this actually was not the case. Is this understanding correct?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] My knowledge on this is not accurate. You seem to think I should be able to give an accurate answer, but I do not know the details of such matters as the exact time and place of Mr Mamiya's visit.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] That point is the very big point at issue. The sales contract originally was supposed to have named Mr Aoki as the holder of 2,000 shares and Mr Fukuda as the holder for 10,000 shares, but the actual contract concluded was for the total only. This is the suspicion the public has. Please look into this matter and give a report on it later. I would like to leave it as a request.

I would now like to ask the Ministry of Justice, first, please give a report on progress of investigations into the Recruit scandal. Second, please tell us when the Ministry of Justice plans to make a report to parliament as reference material for the parliamentary investigation of government affairs. Third, I will talk in more detail later, but please explain to us if the prosecution is concerned about the hard facts relating to the political contributions made by Recruit Co. to Prime Minister Takeshita. I would like answers on these points.

[Ono] Justice Minister Takatsuji.

[Takatsuji] I cannot explain contents of investigations while they are going on. I would like to have your understanding on this. Progress reports have been made, I think. The investigation has made a certain degree of progress. We said that if the Diet requests a report, we will study it so that we can respond to the request. But the investigation is still underway. We do not have a detailed plan as to what we should report or when it should be reported. But we wish to note again that if the Diet so requests formally, we will positively and fully study the request.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] You have failed to answer one of my questions. Is the prosecution concerned about the hard facts surrounding the political contributions to Prime Minister Takeshita?

[Ono] Justice Minister Takatsuji.

[Takatsuji] Investigative authorities understand the facts from debates in the parliament and from reports in newspapers. I think it is thinkable that the prosecution authorities will initiate investigations if they deem it necessary from their own needs. But I think that I myself—who is not the prosecution—should refrain from expressing my views on the matter.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] I would like ask questions on some details. Prime Minister Takeshita, the Iwate Prefecture Long-term Policy Forum held an inaugural assembly on 10 November 1985, and you attended the occasion, right?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I think it was not an inaugural assembly but a preparatory meeting that I attended—as far as the Iwate Prefecture was concerned.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] This was reported even in the local IWATE NIPPO. The 11 November 1985 issue of the paper reported on the prime minister's attendance at the inaugural assembly of the Long-term Policy Forum with a picture as you see here. In the assembly, the prime minister made remarks saying that he felt so fortunate to be a minister of finance after serving in the parliament for 28 years. He went on to say that he will work harder in order to repay the support given to him. Do you remember that you gave a speech on political situation at the Grand Hotel in Morioka at that time?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I remember I gave a speech.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] The head of that organization is Mr Toshio Akasaka, a physician, right? Mr Toshio Akasaka is supposed to be the head of both the Iwate Long-term Policy Forum and the Iwate Prefecture Long-term Policy General Forum. Are these two actually the same organization?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] The correct name of the organization I am involved in is the Long-term Policy General Forum, and this has chapters in about 30 prefectures, not 40 as stated by Representative Kawasaki. There are not so many chapters, but some of them registered their names simply as Long-term Policy General Forum of pertinent prefectures rather than as chapters of the organization. Among them is the Hokkaido chapter, I think. Now to speak of

the Iwate Prefecture, the plan was to establish a chapter there, but it has not been realized to date. In other words, neither the Iwate Long-term Policy Forum nor the Iwate Prefecture Long-term Policy General Forum has actually seen the light of day. I must say that the plan for it stopped at a stage somewhere between establishing a preparatory committee and establishing an expanded preparatory committee.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] Anyway, both of them are support organizations for Prime Minister Takeshita, correct?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] Even though it stopped at a planning stage, the nature of the organization intended was for support, as you said.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] I would like to have my legal understanding confirmed by the Ministry of Home Affairs. Will the ministry explain briefly on provisions of Article 3 relating to definitions of political organizations and Article 5 relating to quasi-political organizations in Political Fund Control Law?

[Ono] Mr Asano, chief of the Home Ministry's Election Department.

[Asano] Article 3 of the Political Fund Control Law gives definitions of political organizations. There are many of them, but for instance one of them is an organization whose primary objectives are to recommend and support specific candidates for public posts or to oppose such candidates.

Article 5 deals with organizations regarded as political parties. They are organizations whose objectives are to study political doctrines and policies, with members from the House of Representatives or those recommended by the House of Representatives or with members of the House of Representatives or Councillors as their main components.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] In this organization, House of Representatives member Ozawa, first of all, said: Favored by having your support and warm friendship, I am sure that Finance Minister Takeshita will meet your expectations. Now,

does this not fall under Article 3? As I said earlier, Mr Takeshita, who was then finance minister, also said: I will struggle on, in response to your support. Does this not meet the definition set forth under Item "Ro", Paragraph 3 of Article 3? In that case, it is an organization which precisely meets the qualifications of a political organization. Would it be wrong to regard it as such?

[Ono] Election Department Director Asano.

[Asano] This being a concrete case, I believe that judgment should be made on the basis of facts, of course. My view, or the way it is defined by law, is as I have said earlier. Listening to the interpellations here today, I get the impression that the organization in case was still in the preparatory stage. It is impossible for me to definitely say whether it is a political organization or not.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] Regarding that point the Home Ministry seems dubious and odd. Regarding the interpretation of these donations, they are subject to control under the Political Fund Control Law, if the price of party tickets is not within reasonable limits and the number of tickets purchased under the condition that the purchasers attend the party is not appropriate. Is that correct?

[Ono] Election Department Director Asano.

[Asano] Regarding party tickets, there is one problem: How should the revenues derived from their sales be reported under the Political Fund Control Law? On this point, it is generally said that they are not donations but business earnings. However, there are no absolute limitations; if the price is reasonable and the purchasers of tickets attend the parties, the proceeds can be said to be business earnings, not donations.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] About how much would really be within the limits of social common sense for the price of a party ticket? In social common sense we generally feel that 5 or 10 tickets at 20,000 yen apiece, or 100,000 yen or 200,000 yen together, is appropriate. It appears that the LDP is now studying limiting the amount to roughly 600,000 yen. In the case of the Iwate organization, approximately 1,300 tickets, totaling 26 million yen, were sold to the so-called local people of Iwate Prefecture. In addition, Recruit Co purchased ¥30 million worth of tickets. This 30 million yen represents a political donation, does it not? Of the total, 10 million yen was spent for expenses and 20 million yen was kept in a deposit. Under Articles 3 and 5 of the Political Fund Control Law, it is obviously very difficult to call the organization a voluntary organization. In reality, it is a

political organization, according to the statements made by the prime minister and the various investigations conducted. The 30 million yen indeed exceeds the reasonable price for party tickets. Furthermore, more than 1,000 people from political and business circles were assembled there. According to the IWATE SHIMPO report, they enthusiastically welcomed Mr Takeshita. The party hall was so crowded that no other people could enter. Yet, Recruit Co bought tickets for 1,500 more people at a cost of 30 million yen. Is that in fact not a political donation? This organization is undoubtedly violating the Political Fund Control Law. I think that it would not be wrong to say so, but I would like to hear the view of the Home Ministry.

[Ono] Election Department Director Asano.

[Ono] Election Department Director Asano.

[Asano] Since this is a concrete case, we cannot make an appropriate judgment without looking into the details and drawing a conclusion from there. In general terms, I have already stated the principles of the stipulations of the Political Fund Control Law a while ago.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] Mr Prime Minister, as the LDP general secretary at that time and as a politician who would be eventually aiming at the posts of prime minister and LDP president, your support group held a party that violated the law and gave rise to suspicions. Did the then general secretary and politician Noboru Takeshita, who would eventually be vying for the posts of prime minister and party president, not think that this was certainly disgraceful? I would think so. What do you think about this?

[Takeshita] Mr Chairman.

[Ono] Prime Minister of the cabinet, Takeshita.

[Takeshita] I was then the party's general secretary. Actually, I heard criticisms during the party held in Tokyo in May. At that time, I had already been fully acquainted with the matter. However, as to the party held in Iwate Prefecture, although this was certainly not organized by my office, looking back at things—I conducted some reexamination last January—I think I have to humbly accept the criticism that it was disgraceful.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] My time is almost up. I would like to ask the prime minister one last question. I have time and again stated that after all, scruple is very important for a politician. I have also repeatedly heard the prime minister state in this Budget Committee that political fortune, or the

question of whether to resign or remain in office and straightening out accounts, are most important for a politician. At present the so-called Recruit suspicions and contamination are very serious among the people close to you. The people's indignation is far beyond our imagination. Is it not time for the prime minister to initiate the resignation of the cabinet en masse, submit to the people's vote of confidence, and make a decision for the sake of the future development of Japan's parliamentary democracy? I grieve and lament having to tell this to the incumbent prime minister, a colleague in the Diet and a peer from the same school [both graduated from Waseda University]. However, I believe it is time to humbly and straightforwardly accept the people's present popular standpoint and views and make a decision. I would like to urge the prime minister to decide and give us his views. With this, I end my questioning.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I also believe that I ought to humbly accept Mr Miyachi's views. As to my own personal views, certainly, I have the power to dissolve the Diet. I also know that if I decide to do so, a general resignation of the cabinet is also possible. I have no intention to take either move. Since this happened under my administration, I believe I must take this as a lesson and exert all efforts in order to pave the way to political reform.

[Miyachi] Mr Chairman.

[Ono] Mr Miyachi.

[Miyachi] At present, the people are very dissatisfied with such an attitude of the prime minister. In particular, the people's indignation concerning the Recruit suspicions and the consumption tax issue is a very serious problem. You have to make a decision to safeguard the parliamentary democratic system, which is most important for safeguarding and developing Japan's parliamentary democracy, for restoring the people's faith in politics, as I mentioned a while ago, and for facilitating our country's continuing development as a world leader and as a Japan contributing to the world. I reiterate my request to the prime minister. In order to restore the people's faith, this Diet has to have a fresh start by submitting to the people's vote of confidence through a general election following the resignation of the cabinet en masse and the dissolution of the Diet. With this earnest request I end my question. Thank you very much. [applause]

[Ono] This ends Mr Miyachi's question. Next, we will have Mr Kazuya Tamaki's question.

[Tamaki] Mr Chairman.

[Ono] Mr Tamaki.

[Tamaki] On behalf of the Democratic Socialist Party-Democratic Union [Minshato-Minshu Renmei], I would like to ask questions concerning the Recruit issue in relation to people close to Prime Minister Takeshita, a question which has suddenly been magnified at present.

The Diet is supposed to check the executive branch and we have been elected by the people for that purpose. In turn, the people strictly check the Diet. In that sense, I feel that at present we are precisely at the point of being checked. The executive branch has, in turn, always treated the Diet firmly. Looking at the whole Recruit incident, it is a large-scale one in which many members of the executive branch and the Diet are involved. I think our foremost duty is to make clear to the people the details of the incident. LDP president and incumbent Prime Minister Mr Noboru Takeshita, we also take this matter very seriously. We hope that various efforts will be made to clarify details as early as possible. This is my view.

As to the present Recruit incident, according to some people, it is but the tip of an iceberg. It is rather a case in which people have become used to differences in monetary sense and vested interests using administrative organs due to the extended existence of a extended political regime. This is my feeling.

The other day, I made certain inquiries with a university professor. Japanese politics has several distinguishing features. One of them is that the lack of turnover of political regime has had a very undesirable influence on politics. Compared with other countries, elections are held very often. This is the most important reason why politics costs a lot of money. These points come up in conversations. Take for instance elections in West Germany or Britain. National elections there are held at an interval of three years and 8 months, which is very long. In Japan, the interval is one year and two months, including upper house and lower house elections. This is very short. For that reason, a greater number of secretaries are employed in the localities and routine propaganda activities for elections are conducted very frequently. This may be the reason why politicians need money for political activities. However, there are expensive and inexpensive ways of conducting political activities. I also think that for us, who are not in a position to spend much money, we are able to get along without spending much money.

First, I would like to ask the prime minister about the politician's monetary sense. Actually, the press has reported that ten freshman LDP lower house members spend 120 million yen each a year. The average expenditure of 100 LDP dietmen for a year amounts to 94 million yen. I cannot understand why things are much less expensive for the opposition parties while they are so expensive for the LDP. This, compared to, for instance, the average annual income of a family, which is 5.2 million yen for an average male of about 38 years old—according to 1987 published statistics. This means that an exorbitant amount equivalent to 16 times of a

family's annual income is being spent. Can this politicians' monetary sense continue? I usually deal with pension and price policies and usually talk about small amounts of units of 10 yen or less. I cannot help but wonder. I would like to ask the prime minister what he thinks about the figures of LDP politicians' annual expenditures published in the press and about the politicians' monetary sense.

[Takeshita] Mr Chairman.

[Ono] Prime Minister of the cabinet, Takeshita.

[Takeshita] You have just made your comments. For sure, when I myself got elected to the Diet in 1958, a senior member told me that turnover of political regime was what parliamentary democracy was all about, and that you younger members ought to conduct policy studies on how you can eventually have power of restitution. I remember that I listened to such remarks without having a feeling that anything was wrong. However, in reality, an extended political regime exists at present. I do not intend to criticize this. I seriously believe that although there had been various problems, through the efforts of our forerunners they have been solved, enabling us to reach this point today. I think that it is true that this has caused what you called getting used to the extended existence of a political regime.

If we talk about the issue of turnover of political power within the system, the question of election system comes up. I understand that at present, various parties put up a number of candidates. Under the present system of medium-size electoral districts, for a party to take over the administration, it must put up a number of candidates greater than half of the number of seats available, or at least more than one candidate in one electoral district.

I frankly admit that there is the question of party activities not overlapping with individual activities. Thus, I believe it is right to think that at present the fact that one must take pains to hire a great number of secretaries and set up an office in order to conduct routine activities makes it necessary to have a lot of political funds. Even if one excludes expenses for paying wages, a substantial amount is required. Therefore, what we must always remember is that a distinction must be made between political funds and private life. Otherwise, numbness of monetary sense may result. I myself have always kept this in mind since my younger days. In the future, I will continue to exercise moderation with regard to political funds, bearing in mind that they should never be appropriated for private use.

[Tamaki] Mr Chairman.

[Ono] Mr Tamaki.

[Tamaki] For sure, money spent for private purposes cannot be considered political funds. That is the prevailing definition. For us, usually most of our money is spent

for public purposes and privately we may be more deprived than common people. That is my feeling. However, an amount such as the 151 million yen in political donations from the Recruit group since 1985 is certainly an astronomical one in the eyes of the common people. Although an additional amount of 20 million has been disclosed by Prime Minister Takeshita a while ago, let us say that the sum total stands at 151 million yen. Were there no more Recruit donations aside from this? One thing more, if any such donations came into the open in the future, what would you do?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I have conducted investigations on my own as best as I could, and I am convinced that no more will come up in the days ahead. What will I do in case there are no more, or in case more will come up? [laughter] I am not prepared to answer hypothetical questions.

[Ono] Mr Tamaki.

[Tamaki] According to the testimony you have given just now, you say that you have checked things yourself. As far as the investigation you conducted yourself is concerned, no more donations have been received. You say that this is what you generally know, unless other people used your name without your permission. Is that correct?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I have never thought about such discourteous behavior as someone else using my name without my permission. [laughter]

[Tamaki] Mr Chairman.

[Ono] Mr Tamaki.

[Tamaki] Prior to the reply given by the official of the Home Ministry, his view had already been expressed in the course of the proceedings of this committee meeting thus far, that is, on whether money exceeding the amount of party tickets sold on the premise that the purchasers would attend the party is regarded as political funds or political donations. Parties in Tokyo can be held in large halls. Yet, the figure amounted to 20 million yen. The party held at Morioka in Iwate Prefecture on 30 May produced such colossal figures as Y30 million and 1,500 tickets. Regarding this concrete case, does the Home Ministry regard the money as party ticket proceeds or donations for political funds? I would like to hear the Home Ministry's view, please.

[Ono] Election Department Director Asano.

[Asano] Since this pertains to a concrete case, as I have consistently said, it is difficult to pass judgment unless the detailed facts are made known.

[Tamaki] Mr Chairman.

[Ono] Mr Tamaki.

[Tamaki] When 1,500 tickets are sold for a party held in a 600-man capacity hall, are the proceeds regarded as political funds or not? Please give me a concrete answer.

[Ono] Election Department Director Asano.

[Asano] I believe that the question you asked is based on an assumption. If that is the case—I mean, if it were based on concrete facts—I still believe that it is not necessarily proper for me to answer your hypothetical question.

[Tamaki] Mr Chairman.

[Ono] Mr Tamaki.

[Tamaki] Mr Home Minister, at such a momentous time like this, that is the kind of reply I receive. Because of this, no progress can be made in our meeting. I want you to give a reply yourself, please.

[Ono] Home Minister Sakano.

[Sakano] The legal interpretation is as testified earlier by the Election Department director. Since it is based on the assumption that ticket purchases are premised on attendance, the question of who attended the party is as a matter of fact beside the question. The ministry's interpretation is that the commonsense assumption that tickets are purchased on the premise of attendance holds true.

[Tamaki] Mr Chairman.

[Ono] Mr Tamaki.

[Tamaki] I am talking about facts, not an assumption.... [Here announcer cuts in to say that the remainder of the session will be presented in a videotape recording beginning at 0400 GMT on 11 April]

Proceedings Continue

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[Proceedings of an emergency interpellation session of the House of Representatives Budget Committee on the topic of political donations Prime Minister Takeshita received from the Recruit group held in the House of Representatives First Committee Room; session chaired by House of Representatives Budget Committee Chairman Akio Ono and questions asked by Democratic Socialist Party's Kazuya Tamaki and JCP's Zenmei Matsumoto, in that order—recorded]

[Excerpt] [Passage omitted] [Tamaki] I am talking about facts, not an assumption. Well, I want you to immediately start checking and present its result before this session is closed. Do you agree, Mr Home Minister?

[Ono] Director Asano of the Election Department.

[Asano] As we have often said, we [Home Affairs Ministry] have no practical investigative rights in this regard. Therefore, please understand that we cannot check into it.

[Tamaki] Chairman.

[Ono] Mr Tamaki.

[Tamaki] You say hypothesis should not be used here and that you cannot conduct investigations. Then, how can we proceed with this debate? This is indeed nonsensical. The Home Ministry has already given its own opinion, has it not? You can answer on the basis of the opinion.

[Ono] Director Asano of the Election Department.

[Asano] The way of thinking is just as we have said. The question left is how to apply and reflect concrete facts. Unless there are detailed facts, we cannot follow this application process. This is what we are saying now.

[Tamaki] Chairman.

[Ono] Mr Tamaki.

[Tamaki] I cannot waste my time by listening to such nonsensical remarks. Well, I will continue my questioning. An opinion has already been given by [word indistinct]. The opinion used the expression: within the range which presupposes the number of possible attendants. Therefore, it appears that the meeting comes under a category related to the Political Fund Control Law. This is the central subject which I would like to discuss in my questioning.

Well, I am now pressed for time. First, the government, not the government, but the LDP gave its opinion through Secretary General Abe on 1 February. It is called the LDP opinion on political donations and other related matters with regard to the Recruit issue. It says that activities before last summer will not fall under the law. It also says that even activities after then will not fall under the law if they have been dealt with on the basis of the Political Fund Control Law. This is what the opinion says. Dietman Narasaki asked Prime Minister Takeshita a question on 17 February. He asked Prime Minister Takeshita if he would support [shiji] details of the LDP's 1 February opinion. Mr Prime Minister said he knew the opinion had been announced, but that he had not given any instructions [shiji] regarding the announcement. I think that the word "Shiji" meant support when Mr Narasaki said it, but Prime Minister Takeshita meant to say instructions when he mentioned "shiji." I think they used the word for different meanings. I would like to confirm the truth about this.

[Takeshita] Chairman.

[Chairman] Prime Minister Takeshita.

[Takeshita] I would like to reply that I share in the view of the LDP, and therefore I meant support.

[Tamaki] Chairman.

[Ono] Mr Tamaki.

[Tamaki] I see you meant support. The political donations mentioned here were from various sources and amounted to 151 million yen. The donations were cleverly divided into various groups formally. Well, the amount of 151 million yen is more than the figure we had before this session. The Home Ministry has expressed the view that it cannot check into the details. So we would like to investigate. According to the current LDP opinion, donations before last summer and those meeting the requirements of the Political Fund Control Law are beyond the bounds of control. However, how will things turn out if investigations reveal that the donations violated the Political Fund Control Law? This is what I would like to ask. If you find it difficult to understand my question, I would like to reword my question. Those— who are found to have violated the law—all quit their jobs. What do you think in this connection?

[Takeshita] Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] Concerning those who quit their posts, as I have frequently said, I am the person who has the appointive power for cabinet members. I appointed them because I trusted them. I allowed them to quit because I also should believe what they said regarding their difficult situations. I have no desire to make comments on why they quit. As to whether the donations were made before or after last summer, I would like to say that they were made before last summer.

[Tamaki] Chairman.

[Ono] Mr Tamaki.

[Tamaki] Among those who have quit thus far include former Labor Minister Hasegawa and also Mr Ken Harada. The initial reason for their resignations was their acceptance of political donations in various forms from Recruit Co. Several others involved in the incident had to leave their posts before the resignations of these two former ministers. According to Prime Minister Takeshita's answer, he appointed those persons, believing their remarks that they were not involved. I think that the prime minister fully investigated before making the appointments. The prime minister appears to maintain that they later voluntarily resigned. This is what I feel from the prime minister's answer. Do you think that those who have quit thus far did not do anything inconsistent with the LDP opinion? Is this your view?

[Takeshita] Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] Concerning the resignations of these people, I have absolutely no desire to tell you why they quit. The LDP opinion was announced on 1 February, if my memory is correct. Since then, I also have not checked their activities against this announced opinion.

[Tamaki] Chairman.

[Ono] Mr Tamaki.

[Tamaki] Before we heard the prime minister's remarks today, we thought that Prime Minister Takeshita would not be deeply connected to Mr Ezoe or Recruit. Therefore, we did not pay too much attention to your case. However, it is now known that a large amount of money was donated from Recruit Co. to those close to Prime Minister Takeshita. We cannot but think that this is an amount far exceeding the level generally permitted. There might be many political organizations which handle this much amount of money, but I feel that there is still some money not reported or which is hidden.

If such money is found, what will you do? For example, if such donations are found to violate the announced LDP opinion; that is, they are found not to have been dealt with in compliance with the Political Fund Control Law, what will you do? I think that the aforementioned Iwate case of 20 million yen deposit might be categorized as such money although we cannot say anything definite unless the case is investigated. I would like to ask: What will you do when such a case arises? You said that there would be no such case. Therefore, it may be hard to answer this question. However, the party has already announced its opinion and you supported it. Therefore, I hope that you will take action in compliance with the announced opinion. There is not much time left for me, so I will move to another subject. The centerpiece of the Recruit issue thus far has been a suspicion surrounding Mr Nakasone. According to a television report yesterday, around 80 percent of respondents said that Nakasone should be summoned. This is indeed a high percentage. We are watching with interest the gradual fall in the support rate for the Takeshita cabinet. Prime Minister Takeshita made his voluntary move for the first time today for the solution of the Recruit case, which will include the issue of summoning Nakasone. We do not know what Takeshita has done behind the scenes, but he has made such a move for the first time today at least outwardly. I think he should have made such a move earlier. Concerning the issue of summoning Nakasone, it is not our position to boycott important budget discussions at the Budget Committee, but we are saying that without discussing the Takeshita cabinet's political attitude and gradually revealing the truth about various issues involving Mr Nakasone, we cannot really discuss ways to use budget effectively. This is why we are asking former Prime Minister Nakasone to appear before a Budget Committee session and express his views. Prime Minister Takeshita earlier said that he would like to make a conclusive clarification regarding this issue when the issue

is settled in general. Today, he made remarks on his own issue. How is he going to clarify and settle the Nakasone issue and his own issue? I would like to know when, how, and where the prime minister is going to do so.

[Takeshita] Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] The issue has taken place at the time of my cabinet, so I always say that the discussion of the issue should be centered on me. Therefore, I will take into full consideration as to how I should clarify my position in order to conclude this issue. Concerning former Prime Minister Nakasone, I would like to note what Mr Tamaki said here, but I do not have the desire to express my own view.

[Tamaki] Chairman.

[Ono] Mr Tamaki.

[Tamaki] We, too, attach importance to the national budget as much as you do. We are requesting Mr Nakasone's summons even at the cost of such important budget discussions. This indicates how determined we are. We are not making this request just to harass Mr Nakasone. We want to reveal the truth about the Recruit incident. Mr Nakasone seems to be at the top—this may be a funny expression—of the incident. Changing the expression, he seems to be involved in the incident in many respects. In addition, his remarks at the 27 February press conference are very contradictory to various reports and talks we hear in the Diet. We would like to hear his views on these things. Controversy will continue on this issue at the Budget Committee, but we hope that you will show an active attitude in tackling this issue. Now I have only two minutes left. I cannot go into further details, but I would like to touch on the relations between Mr Ezoe and Prime Minister Takeshita. It is strange that you were able to receive this much money so suddenly. I even feel that he may have asked some favors of you. I doubt that Mr Ezoe simply intended to help you get to the post of the prime minister. Please tell us about your relations with Mr Ezoe.

[Takeshita] Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] As I said earlier, I am not in the position to guess what Mr Ezoe had in mind. Concerning my personal relations with him, it is a fact that we know each other by sight. I met him at a certain study gathering. It is also true that he was a member of a study group I made when I took office as prime minister. However, we have not had an exchange of views regarding any specific issue as far as I remember.

[Tamaki] Chairman.

[Ono] Mr Tamaki.

[Tamaki] I will now close my questioning as I have used up my assigned time. It should be noted that people's discontent with this incident and their distrust have further increased. I would like to end my questioning, hoping that you will tackle this issue more speedily. Thank you.

[Ono] This ends Mr Tamaki's questioning. [applause]

[Matsumoto] Chairman.

[Ono] Mr Matsumoto.

[Matsumoto] I would like to first ask a question about a number of facts. To begin with, according to your report here there were about 40 million yen of political donations including fees for meetings from Recruit Group in 1961. Your 1961 activities can be divided into two periods, one before 22 July when you served as the finance minister and the other after the date when you worked as the party's secretary general. Things that happened during your service as the finance minister could bring up the question of your official competence. I want you to list the donations by these two different periods.

[Takeshita] Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I do not have the exact data now, so I cannot meet your request here today.

[Matsumoto] Chairman.

[Ono] Mr Matsumoto.

[Matsumoto] This is a very important thing. It is extremely regrettable that you are not prepared to present the data when you are reporting to the Diet. Now I like to ask another question. Keiseikai [group of the Takeshita faction] planned to hold a party in October 1963. The party was called off due to the emperor's illness. However, it is said that a large number of party tickets were sold then. How many of them were purchased by Recruit?

[Takeshita] Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I heard the meeting was called off, but I am not aware of later developments.

[Matsumoto] Chairman.

[Ono] Mr Matsumoto.

[Matsumoto] I think you did not really intend to examine the issue. Mr Prime Minister, the political donations, as you said, total 151 million yen, some of which have already been reported. This is indeed a huge amount. In this period, Ezoe was prosecuted on charges of giving bribes for his transfer of unlisted stocks. This involves the question of official competence as finance minister. I also would like to point out that two months after your resignation as the finance minister and your assumption of the party post as secretary general, the said unlisted 12,000 stocks were transferred to those close to you. Seeing this much of political donations, I feel that the allegation that your relative Mr Tadashi Fukuda received the unlisted stocks has increasingly been less persuasive. Dietman Fuwa of our party earlier asked questions at a meeting of this committee on the basis of an investigation report. According to the report, 12,000 stocks were handed to former Secretary Aoki from Managing Director Mamiya and others at your office. All the stocks were dealt with at the Takeshita office. At the 18 February meeting, you promised to review the investigative result. A fairly long time has passed since then. Did you review it?

[Takeshita] Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] It is also my understanding that the talks were conducted at my office. Concerning the exact time and whether there appeared two persons, one person, or three persons, I think that it would be better to wait until ongoing investigations reveal more correct information about them.

[Matsumoto] Chairman.

[Ono] Mr Matsumoto.

[Matsumoto] You have not denied that the issue was dealt with at your office. In other words, you have admitted it. You said here earlier that the sales contract related to Mr Tadashi Fukuda was not retained. If the matter was dealt with at the Takeshita office, it must be there. Is it not nonsensical that the contract form is not there? From your answer, I think it is, at least, not maintained at Mr Fukuda's.

[Takeshita] Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] It has been said that the document was not saved. It is a fact, so I would like to say it has not been saved.

[Matsumoto] Chairman.

[Ono] Mr Matsumoto.

[Matsumoto] I cannot trust your word at all. The matter was dealt with at your office, not Mr Tadashi Fukuda's. It is nonsensical that there is only the document related to the sales to Mr Aoki. Chairman, I would like to ask for summoning Ihei Aoki and Tadashi Fukuda as witnesses.

[Ono] Your request will be discussed at the committee's board meeting.

[Matsumoto] Chairman.

[Ono] Mr Matsumoto.

[Matsumoto] Mr Prime Minister, there were 151 million yen in political donations, including what you have reported here. However, in the report on political funds we can see no such names as Ezoe and Recruit group. What do you think of this? Article 1 of the Political Fund Control Law says that it is designed to ensure fairness and justness of political activities and contribute to sound development of democratic politics by opening the incomings and outgoings of the political funds to the public, by controlling their transfer, and by taking other measures. In your policy speech, Mr Prime Minister, you said that you would seek to make everything related to political funds crystal clear. That is to say, you have to make the nation understand how political funds are handled. Now, despite the fact that it has become clear that the prime minister received a huge sum in political donations amounting to over 150 million yen, no reports have been filed. This amounts to an utter infringement on the spirit of the Political Fund Control Law. If such is the case, how can you serve as prime minister? How can you be qualified to talk about political reforms? I would like to ask the prime minister these questions.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] As I have repeatedly stated, I can say with confidence that as far as the sum received as political funds is concerned, measures have been taken in accordance with the Political Fund Control Law. As to whether I am qualified or not, if Mr Matsumoto thinks so, it is quite all right. However, I don't think so.

[Matsumoto] Mr Chairman.

[Ono] Mr Matsumoto.

[Matsumoto] Well then, I would like to ask questions in concrete terms. Mr Prime Minister, you yourself stated that reports on political donations were filed for the fiscal years 1985 and 1986. The Takeshita office and other political organizations received 5 million yen in 1985 and 10 million yen in 1986 from the Recruit Co, 10 million yen from the Recruit Joho Shuppan Co, another

10 million yen from the Furomu-e Co, and 5 million yen from the Recruit Cosmos Co. A total of 5 million yen also was received as membership fees by several policy study groups.

Since this was the case, it means that a total of 10 million yen was received from the Recruit Co and 5 million yen from the Recruit Cosmos Co. However, no reports were filed in accordance with the Political Fund Control Law. Even for the funds regarded as political funds or political donations and mentioned as political donations, Mr Prime Minister, no reports were filed on the basis of the Political Fund Control Law. How do you explain this? Mr Prime Minister, what do you think of it? Since this is an issue in connection with the Political Fund Control Law, I would like to ask Mr Prime Minister about his personal view.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I cannot understand the meaning of the question. However, the fact is that each of these political organizations have filed reports based on the law.

[Ono] Mr Matsumoto.

[Matsumoto] The meaning of my question is quite clear. You yourself have stated that they are political donations. And since they are political funds, it is natural that reports should have been filed. And I am asking why no reports had been filed.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] As is stipulated by the law and since the names of the companies and organizations are involved, these funds are managed by several political organizations within the limit as stipulated by the law.

[Ono] Mr Matsumoto.

[Matsumoto] It is because of such a practice that the Political Fund Control Law now has so many loopholes. If you yourself, Mr Prime Minister, should take such an approach, it would ill mean that all the others will certainly follow suit. I feel that it is a tremendous mistake.

And I would like to ask the Prime Minister another question. The cabinet was reshuffled on 27 December 1988. It was probably partly due to Mr Miyazawa's resignation. And Mr Prime Minister, I think you probably tried to reorganize the cabinet with dietmen who had not been tainted by the Recruit scandal. This can be proved by the fact that Justice Minister Hasegawa, a key member of the cabinet, had to resign when it was disclosed that he had received a total of 300,000 yen for party tickets and 5.76 million yen in donations. Chief

Cabinet Secretary Obuchi stated that an investigation would be launched into donations received from the Recruit Co by all cabinet members and that the results of this investigation would be made public.

In sum, the money received by Justice Minister Hasegawa accounts for less than one-twentieth of the amount that Prime Minister Takeshita has received. Furthermore, Director General Harada of the Economic Planning Agency, who resigned later, received a total of 1 million yen for party tickets and 1.2 million yen for donations. This amount accounts for less than one-sixtieth. Taking the blame, both of them have resigned. Why is it that the prime minister can get away without resigning from his post? The people in general expect that you should resign. Mr Prime Minister, what do you think of it?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] Concerning the resignations of the two seniors [senpai], as I have stated repeatedly on several occasions, it was I myself who appointed them to their posts because I trusted them. In this connection, when they submitted their resignations, I accepted their resignations because I trusted them. And I have stated on several occasions, I have no plan at all to make any careless comments on their resignations.

As for the problem concerning myself, it has been pointed out that the sum I received was huge. I thoroughly understand this point. In this context, taking this issue as a starting point, I feel that political reforms must be carried out.

[Ono] Mr Matsumoto.

[Matsumoto] Since you have been talking like that, the amount of support for the cabinet has plunged rapidly. No one will listen to you seriously. It seems that you are saying: They wanted to resign and so they have resigned, but I am an exception. How can such an excuse be accepted?

Well, in replying to the JSP dietman's questions concerning political donations this morning, Mr Prime Minister, you made an overall denial, didn't you? It is recorded in your answers to the questions. We, the Communist Party, have the same question to ask you. When was it that Councillor Isayama came to know that 20 million yen was paid in purchasing party tickets? You said this morning that it was in the beginning of the year or in January, didn't you? When we come to think of it, it was disclosed in January that Speaker Hara had received 4 million yen in donations and 15 million yen for party tickets, and reportedly, all the funds were returned. It was just the same in the case of Economic Planning Agency Director General Harada. I think, Mr Prime Minister, you conducted an investigation at that time. No

funds were returned, no efforts were made to clarify the situation before the nation, and when questioned at the Diet sessions, no replies were made. Then, Dietman Ishikawa asked questions at the House of Councillors plenary session on 15 February, and then Dietman Shimoda was questioned about the party held in Morioka at the House of Councillors budget committee session on 7 March. Attempts were made to hide the facts before they were exposed. There have been no indications of a thorough investigation into the Recruit incident. If you act like this, how can you still act as the prime minister? I would venture to ask you, Mr Prime Minister, are you really qualified to act as the prime minister?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] You are saying: I think you are not qualified, so I want to ask you what you think of it. It will be difficult to answer such a question. As for the questions at various plenary or committee sessions that you have just mentioned, I do remember those questions. And I have to answer them as thoroughly as I possibly can. As I have heard that perseverance can be defined as answering questions with a calm state of mind, I have tried to answer questions with such a state of mind. However, I don't have any base intentions of trying to get away with it if not exposed.

[Ono] Mr Matsumoto.

[Matsumoto] I have asked you the same question twice but you have not answered my question. Let me ask you another question. Concerning the Morioka party, you answered this morning that since the party was not sponsored by the Takeshita office, no report was filed on the 30 million yen, and that the amount has been kept as preparatory funds. However, in reply to a question of Dietman Masamori of our party on 7 November last year, Mr Prime Minister, you said that it was sponsored by a supporting group, the Iwate chapter of the Long-term Policy Forum. In your reply, you clearly stated that it was a chapter. Since such was the case, do you still have the same understanding?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] My understanding was that the Iwate chapter was to be established.

[Ono] Mr Matsumoto.

[Matsumoto] You did not say that the chapter was to be established because you clearly stated in your reply that it was the Iwate chapter, your private supporting group. Your reply then was different from your reply today. If that was the case, you should have filed a report on the 30 million yen with the Diet. Am I wrong?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I am trying to answer questions accurately. There is a private group supporting me known as the Long-term Policy Forum. This Forum has set up some 30 chapters in various prefectures. However, there are a few such as those in Hokkaido and other prefectures that manage their own funds and these organizations have filed their own reports with the prefectural authorities. As far as the Iwate Prefecture is concerned, it is true that preparations were being made to establish either a chapter or an Iwate forum. I think I failed to state accurately at that time that it was a preparatory meeting for establishing the Iwate chapter.

[Matsumoto] Mr Chairman.

[Ono] Mr Matsumoto.

[Matsumoto] This cannot help but be regarded as an explanation after the fact. Another point at issue is that since you have collected such a huge amount of funds, where on earth have these funds been used? On July 14, 1988, YOMIURI SHIMBUN published a report on the situation under which the Keisei Society [LDP Takeshita faction] was created in an installment of the serial reports titled: "Has Kakuei [former Prime Minister Kakuei Tanaka] Disappeared?—The Twelfth Summer Since the Lockheed Incident, the Dynamics of Number and Money Again?" In this report, it is stated as follows: It is just a matter of common sense that tens of millions of yen are used in organizing a majority faction. A certain dietman has testified that a maximum of 30 million yen was spent on a dietman who did not take a clear-cut stand. It is an accepted opinion in the Nagatacho area where the LDP headquarters is located that it was the Takeshita group which had taken the initiative. Mr Prime Minister, have you not spent money in forming a majority group? Have you ever launched any protest or lodged a complaint against this report?

I would like you to answer two questions: Have you ever spent money on organizing the majority group? Have you ever launched any protest or lodged any complaint because the report was wrong? I would like to ask you about these two points.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I have not made any protests or complaints. And there is no such thing as forming a majority group and so on.

[Ono] Mr Matsumoto.

[Matsumoto] You didn't spend any money on forming the majority group. You mean you didn't. Please give us a definite answer.

[Ono] Prime Minister Takeshita.

[Matsumoto, interrupting] Mr Chairman. I would like to ask another question. On 6 August, 1987, YOMIURI SHIMBUN carried a serial report entitled: 'Factional Politics of the Second Generation—Insides and Outsides of the Presidential Election in 1987'. In this report, it is stated—in the exact words used in the report—In his attempt to obtain Nikaido's [former LDP vice president] cooperation in the post-Nakasone period, Takeshita called on Nikaido with a large number of 100,000-yen gold coins that were minted during his tenure as finance minister and said: Please give them to your grandchildren. And it is reported that during the factional struggle between Takeshita and Nikaido, the two blocs spent funds amounting to more than 100 million yen. Money-oriented politics still exists now. Was that the actual case? If such was not the case, have you ever lodged any protests or complaints? I would like to hear your answers to these questions.

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] It was not true. Neither have I lodged any protests or complaints.

[Ono] Mr Matsumoto.

[Matsumoto] Mr Prime Minister, you have denied all these reports. However, a large number of such reports were filed during the presidential elections. It is said that all the evils can be traced back to the presidential election. It is the root of all the evils connected with money-oriented politics. In private sessions when there are just two of us, LDP dietmen are willing to say a lot. Such practices as... [interrupted by catcalls] Well, if necessary, I will speak out. In this connection, I think that, Mr Prime Minister, you should clarify these points. I would like to ask you, Mr Prime Minister, another question. [interrupted by catcalls] Donations, actually political donations, given to the prime minister, reached the enormous amount of more than 150 million yen. And Ezoe has been indicted for bribery at this time involving sales of unlisted shares, as I have mentioned. When it comes to various issues involving your tenure as finance minister, there are such problems as your responsibilities for supervising security exchanges and financial operations of real estate companies during the steep rise in land prices. During this period, attempts were made to raise land prices and instructions on self-restraint in increasing land prices were issued on four occasions, two of them while Takeshita was finance minister. There is also the problem concerning the appointment of Ezoe as member of the special advisory council on tax system reform. There is also the issue concerning the authorized limit of rights. It is also questionable as to whether the

donations received while you were serving as party general secretary should be regarded as bribery. It is because you received unlisted shares only two months after you had resigned from the post of finance minister. And then, a large amount of money was received in political donations and a large number of party tickets were purchased. Were there no solicitations or promises at all? What are your relations with the Recruit Co or Ezoe? These problems involve truly serious suspicions. While you are charged with such suspicions, I think, you cannot remain in your post as prime minister, not to mention political reforms nor passing of budgets. Don't you think so? Concerning these serious suspicions, no clarification at all has been made through your explanation today. What is your understanding of these problems?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] At least, I understand that there is a great difference between my understanding and that of Mr Matsumoto.

[Ono] Mr Matsumoto.

[Matsumoto] That is dissociation of the Nagata-cho logic from that of the people. As this session will be televised, I think that no one among the people will ever understand your logic. In this connection, we have long demanded that the cabinet and Prime Minister Takeshita should all resign and make an appeal for the confidence of the whole nation. Politics cannot be pursued until the whole nation has confidence. I feel that the only way left is to have the house dissolved and to hold the general election so that a fresh start can be made. I would like to ask again, Mr Prime Minister, your views about this. What do you think?

[Takeshita] Mr Chairman.

[Ono] Prime Minister Takeshita.

[Takeshita] I would like to state that Mr Matsumoto's views are different from mine.

[Ono] Mr Matsumoto.

[Matsumoto] I would like to say that the Prime Minister's explanations or reports today would never make the whole nation satisfied. And I would like to conclude my questions by reiterating our demands that all the cabinet members should resign and that the house be dissolved and a general election be held. [applause]

[Ono] This concludes Mr Matsumoto's questioning. The session will be adjourned temporarily.

LDP, Opposition Fail To Break Diet Stalemate
OW1404094989 Tokyo KYODO in English 0749 GMT 14 Apr 89

[Text] Tokyo, April 14 KYODO—The Liberal Democratic Party [LDP] and three opposition parties failed on Friday to agree on ways to break the current long stalemate and resume budget deliberations at the House of Representatives Budget Committee.

Representatives of the ruling and opposition parties will meet again on Monday, LDP officials said.

The opposition said they would continue their boycott unless the government and LDP give in to their demand that former Prime Minister Yasuhiro Nakasone be summoned to the Diet to testify about his suspected role in the Recruit stock trading and bribery scandal, opposition sources said.

Kozo Watanabe, chairman of the LDP Diet Affairs Committee, urged the opposition parties to join discussions, saying an opportunity will come some time in the future for Nakasone to meet public expectations to clear himself of the suspicions.

The opposition parties rejected Watanabe's argument which they said is unclear whether the LDP would accept their demand for a Nakasone testimony, the sources said.

The opposition parties have boycotted Diet deliberations on the 60.4 trillion yen state budget for fiscal 1989 since March 8.

The government and LDP resumed a budget committee session unilaterally on Wednesday. But business in the Diet has been halted again since Thursday.

Nakasone is suspected of links with the founder of the scandal-ridden information business conglomerate Recruit Co., Hiromasa Ezoe, and also of his role in the resale of two U.S.-made supercomputers to Recruit from Nippon Telegraph and Telephone Corp. (NTT).

North Korea

Reaction to South's Arrest of Rev Mun

Paper Condemns Action

SK1404055089 Pyongyang KCNA in English 0510 GMT 14 Apr 89

[Text] Pyongyang April 14 (KCNA)—The No Tae-u military fascist clique has committed a terrorism in broad daylight by arresting and detaining Rev. Mun Ik-hwan. This is an open challenge to human rights, democracy, dialogue and reunification and an intolerable anti-national crime in mercilessly trampling down the ardent desire for reunification of the whole nation. NODONG SINMUN today says this in a commentary.

The author of the commentary says:

The No Tae-u group defined us as "members of an anti-state organization" and arrested Rev. Mun Ik-hwan because of his contact and dialogue with us. This showed to the world again that they are a group of traitors to the nation and separatists who have no desire for North-South dialogue and negotiation and for national reunification.

What cannot be overlooked is that the puppets have launched a wholesale offensive of suppression with Rev. Mun Ik-hwan's visit to Pyongyang and return to Seoul as an occasion to stamp out the patriotic democratic forces calling for independence, democracy, dialogue and reunification.

By suppressing the democratic forces at the point of the bayonet, they seek to keep the military dictatorship which is shaking to its very foundation. The No Tae-u military fascist clique should give up its foolish attempt to keep the dictatorial power at the point of the bayonet, unconditionally discontinue the crackdown upon the patriotic forces for democracy and reunification and immediately set free figures of different circles including Rev. Mun Ik-hwan and his companion who are detained unreasonably.

The U.S. imperialists must take their hands of aggression and intervention off South Korea and stop instigating the No Tae-u military fascist group to anti-democracy, anti-dialogue and anti-reunification.

Various political parties, groupings and people from all walks of life in South Korea should firmly unite under the banner of independence and reunification against U.S. imperialism and rise up in a nationwide campaign to have Rev. Mun Ik-hwan and patriotic democrats released, smash the anti-communist fascist offensive of the No military group and its scheme to revive the dictatorship of the "Fifth Republic" and cut off tentacles of aggression and interference of the U.S. imperialists who are manipulating it.

Chongnyon Demands Mun's Release

SK1404054889 *Pyongyang KCNA in English 0500 GMT 14 Apr 89*

[Text] *Pyongyang April 14 (KCNA)*—The Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) released a statement on April 13 which stresses that the South Korean puppet clique should immediately release all the democratic figures including Rev. Mun Ik-hwan who were arrested and detained on unwarranted charges and unconditionally stop the moves to stifle the democratic forces and the campaign against the northern half of the republic.

The statement says:

The Central Standing Committee of Chongnyon bitterly condemns the fascist tyranny of the No Tae-u puppet clique, branding it as a vicious challenge to the entire fellow countrymen who are eagerly longing for peaceful reunification and as an anti-national, anti-reunification crime deliberately worsening the North-South relations and laying one more obstacle in the way of the peaceful reunification.

The South Korean puppet clique must promptly abrogate the anti-national, anti-popular fascist laws such as the "National Security Law" laying a hurdle to national unity and the reunification of the country.

For peace in the country and its peaceful reunification, we 700,000 Korean residents in Japan will strengthen national unity irrespective of the difference in ideology, political views and organizational affiliations and positively support and encourage with all our concerted efforts the righteous struggle of the South Korean people for independence, democracy and reunification.

We are convinced that the honest-minded people of the world including the Japanese people will resolutely denounce the fascist suppression by the South Korean puppet clique and extend more powerful support and encouragement to us Korean people in the struggle for peace in the country and its peaceful reunification.

CPRF Calls Mun's Arrest 'Fascist Outrage'

SK1404044889 *Pyongyang KCNA in English 0414 GMT 14 Apr 89*

["CPRF Statement Condemns No Tae-u Group for Detaining Rev. Mun Ik-hwan"—KCNA headline]

[Text] *Pyongyang April 14 (KCNA)*—The Committee for the Peaceful Reunification of the Fatherland (CPRF) today made public a statement condemning the South Korean fascist clique for detaining Rev. Mun Ik-hwan who went back to Seoul after visiting the northern half of Korea.

The statement says:

The South Korean fascist clique, who had been charging Rev. Mun Ik-hwan who visited Pyongyang out of ardent desire for national reunification with the violation of the "National Security Law," a fascist law, committed a base fascist outrage by high-handedly walking him away from the airplane to the "Security Planning Board" in defiance of the repeated warnings and protests of the people at home and abroad, the moment he arrived in Seoul on April 13.

The fascist clique let loose a police force 4,000 strong to the airport yesterday to ban the access of ordinary people to it and committed the brutal act of whisking Rev. Mun away by a car kept ready by the airplane and resorted to a fascist rampage to block a peaceful welcome function for him at the initial stage.

This brutal repressive act of the South Korean fascist clique is a terrorism in broad daylight which can be committed only by military gangsters and a vicious challenge to human rights, democracy and the peaceful reunification of the country, which has evoked towering anger among all the fellow countrymen and the honest-minded people of the world.

The Pyongyang visit of Rev. Mun Ik-hwan was an entirely righteous patriotic act which deserves the praise and support of the whole nation in light of the spirit of the July 4 North-South joint statement which calls for promoting great national unity transcending the difference in ideology, idea and system or in view of the desire of the fellow countrymen in the North and the South for a phase of a new turn favourable to national reunification.

Here in Pyongyang Rev. Mun Ik-hwan never unilaterally slandered anyone nor said words and did acts fostering confrontation between the North and the South and division, on how to tide over national split as early as possible.

He opened his Pyongyang visit to the public from the beginning, made public through a joint statement all that he talked with us and gave detailed accounts of the success of his Pyongyang visit at press conferences and on other occasions because he was convinced that his Pyongyang tour entirely conformed with the aspirations of the fellow countrymen.

Furthermore, the respected leader Comrade Kim Il-song, president of the Democratic People's Republic of Korea, met with him on two occasions and responded positively to his views in a number of questions in the open-hearted exchange of views on the way of national reunification and the future of the nation, and thus inspired all the fellow countrymen who want to develop North-South dialogue and accelerate national reunification with great hopes and confidence.

All the facts show that the Pyongyang visit of Rev. Mun Ik-hwan was a turning point of weighty significance in pulling down the barriers between the North and the South, opening the road of North-South dialogue and developing the reunification movement of our nation to a new, higher stage.

If the South Korean rulers are truly interested in North-South dialogue and the reunification question and have the intention to resolve the reunification question through dialogue, they ought to justly evaluate the weighty significance of Rev. Mun Ik-hwan's visit to Pyongyang and act with discretion.

However, they arrested him, incriminating his trip for reunification. This means an open declaration that they totally deny North-South dialogue and the country's reunification itself and seek continued confrontation with us.

The Committee for the Peaceful Reunification of the Fatherland sternly denounces the base and reckless act of the South Korean fascist clique in arresting Rev. Mun Ik-hwan who visited Pyongyang and returned after doing what is useful for national reunification, considering it to be an anti-national crime of those who pursue confrontation and "two Koreas" against dialogue and reunification.

With no pretext can the South Korean authorities justify their act in incriminating Rev. Mun Ik-hwan's visit to Pyongyang and arresting him.

The South Korean authorities faked up the charges of "escape," "communication for meeting," "inspiration and praise" by invoking the "National Security Law" and advertised them as "ground" for arresting Rev. Mun Ik-hwan. This, as we already declared, is a base and shameless outrage of dictators which can convince nobody.

As to the "National Security Law" which the South Korean fascist authorities invoke against Rev. Mun Ik-hwan, it is an offspring of the old time and old conception of confrontation seeking North-South confrontation. It is an "old document" which should have been renounced long ago under the present situation in which national unity and reunification are desired.

No "law" can lord it over on the will of the nation to achieve reunification and any charge faked up by a fascist law against the interest of the nation cannot be recognized by anyone.

National reunification is a question of nationwide nature which must be resolved by pooling the general will of the nation and, for this reason, all the members of the nation have the right to participate in the discourse on reunification and to get involved in the solution of the reunification problem as the master.

To meet fellow countrymen and hold debate and dialogue on reunification with them is to exercise a legitimate right as a member of the nation and discharge responsibility as a master. It is nonsensical altogether to charge this with "escape," "communication for meeting" and "inspiration and praise."

Moreover, Rev. Mun Ik-hwan and his companion officially received the letter of invitation sent by us through the South Korean authorities before their visit to Pyongyang and formally expressed to leadership-level people of the political circles their intention to visit Pyongyang, and they acted lawfully, making public the whole course of their trip to Pyongyang from their departure from and return to Seoul.

Why is it a "secret visit" and why is it "illegal"?

It should be recalled here that the South Korean chief executive himself said he would "open" the discourse of reunification and change the North-South relations into "relations between companions" from hostile relations.

In his "July 7 declaration" yesterday he said that he would "actively promote exchange between compatriots in the North and the South" including politicians, businessmen, religious men, scholars and students and "open the door for free travel between the North and the South" and today he reversed it and detained Rev. Mun who visited the North. Can it be justified?

The South Korean chief executive publicly declared that he would promote "exchange" and "visit" between the North and the South and walked off and detained Rev. Mun who practised it. By this he himself proved that the "exchange" and "visit" advertised by him are, after all, nothing but an empty slogan to deceive the South Korean people and that they do not have any principle to promote dialogue and reunification but only seek to use it as a means of mocking people and extending their power.

If it is "crime" that Rev. Mun Ik-hwan visited Pyongyang to discuss the reunification question, the South Korean chief executive who "declared" earlier the "opening of discourse of reunification" and "mutual exchange between compatriots in the North and the South" should be punished as the initial promoter and organizer of the "crime" and all the persons who had dialogue with us, crossing the Military Demarcation Line, should be made objects of punishment.

It is a self-righteous logic of fascist dictators ignoring the popular masses and an anti-reunification logic abusing the North-South dialogue in creating "two Koreas" and maintaining "power" to claim that South Korean authorities only can meet with us for dialogue and come to the North and other people can neither meet with us nor come to the North nor discuss the reunification question.

That the South Korean fascist clique take issue with the Pyongyang trip by Rev. Mun, a leading dissident, is intended to totally suppress and stifle the dissident democratic forces and reunification forces, revive the dictatorship of the "Fifth Republic" and use it to bridge over the crisis of the military fascist rule.

This is proved by the fact that today South Korea is under a undeclared martial law, all the democratic organisations including "Chonminnyon" have become a target of wholesale investigation and the dictatorship of the "Fifth Republic" is openly revived.

If the South Korean authorities truly intend to have dialogue with us and resolve the reunification question through it, there is no need for them to be afraid of people, the very one in charge of the solution of the reunification question, or block the civilian dialogue and no reason to incriminate Rev. Mun's Pyongyang trip.

Regarding the South Korean rulers' act of detaining Rev. Mun Ik-hwan upon his return after having dialogue with us for reunification in Pyongyang as a vicious challenge to the entire Korean people's desire for reunification, not as a matter of one democrat, the Committee for the

Peaceful Reunification of the Fatherland solemnly warns that the South Korean authorities will have to bear full responsibility for all the consequences arising therefrom.

By illegally detaining Rev. Mun, a democrat and an envoy of reunification who visited Pyongyang for dialogue and peaceful reunification, the South Korean authorities made it plain that their talk about "dialogue" and "reunification" so far were all lies.

The South Korean authorities should ponder over the grave consequences of their blunder and unconditionally set free Rev. Mun and his companion they detained by terrorist act in broad daylight and stop at once their reactionary fascist offensive against the South Korean democratic forces.

We will continue to watch the attitude of the South Korean authorities who have detained Rev. Mun Ik-hwan.

Availing ourselves of this opportunity, we express the hope that the governments, parliaments and political and public figures of all countries of the world will resolutely condemn the South Korean fascist clique's persecution of Rev. Mun Ik-hwan and express active support and solidarity for the just struggle of the South Korean democratic forces to have him released.

Chonminnyon Supports Rev Mun's Visit to North
SK1304113289 Pyongyang KCNA in English 1034 GMT
13 Apr 89

[Text] Pyongyang April 13 (KCNA)—"The National Alliance of the Movement for the Nation and Democracy" ("Chonminnyon"), a dissident coalition in South Korea, expressed full support to the Pyongyang visit of Rev. Mun Ik-hwan, saying it "will mark a landmark in further developing the national and popular reunification movement," according to "MINJU CHOKUK," a newspaper of Korean residents in West Germany.

"Chonminnyon" said in an article on the Pyongyang visit of Rev. Mun Ik-hwan:

1. The Pyongyang visit of advisor Mun Ik-hwan is part of the efforts to realise a North-South political consultative meeting proposed by the North in January this year.
2. Advisor Mun Ik-hwan could not pay his visit to Pyongyang openly through Panmunjom due to the anti-reunification, institutional and legal devices of the present "regime" suppressing and banning the reunification movement of civilian level.
3. His visit must serve as a historical occasion of free travel and independent exchange between the North and the South whereby anyone can freely travel at any time and from any place in order to put a halt to the 40 years long history of division.

4. His visit was an expression of the national awareness that reunification must no longer be used for the "security" of the dictatorial "regime" as a possession of the power and it is not contradictory to the "policy toward the North" for "reconciliation" and "openness" laid down, for instance, in the "July 7 declaration" of the present "regime."

5. His visit must not be used as a pretext to dismiss the liquidation of the "injustices of the Fifth Republic" and the punishment of the culprits of the Kwangju massacre which must be dealt with by the present "regime" or to suppress the efforts of the national and democratic movement for the independent and peaceful reunification of the country.

Moreover, the present "regime" must not deal with advisor Mun Ik-hwan by such political suppression as legal action.

It must rather scrap without delay the "National Security Law" hindering the movement for independent and peaceful reunification.

KPA Delegation to MAC Arranges Get-Together
*SK1304152989 Pyongyang KCNA in English 1510 GMT
13 Apr 89*

[Text] Pyongyang April 13 (KCNA)—The delegation of the Korean People's Army [KPA] to the Military Armistice Commission [MAC] today arranged a friendship get-together with the members of the Neutral Nations Supervisory Commission [NNSC] on the occasion of April 15.

It was attended by Maj. Gen. Choe Ui-ung, senior member of our side to the MAC, KPA officers, members of the liaison office of the Chinese People's Volunteers to the MAC and the Czechoslovak, Polish, Swedish and Swiss members and staffers of the NNSC.

The attendants deepened their feelings of friendship with a colorful art performance and sports and amusement games.

The KPA delegation to the MAC gave a reception on the occasion.

Speeches were made at the reception.

Visit Reaffirms Ties

*SK1404102989 Pyongyang KCNA in English 1020 GMT
14 Apr 89*

[Text] Pyongyang April 14 (KCNA)—Vice-Premier and Foreign Minister of the DPRK Kim Yong-nam paid a goodwill visit to Yugoslavia over April 10-12.

While staying in Yugoslavia, Vice-Premier and Foreign Minister Kim Yong-nam met and had conversations with Raif Dizdarevic, president of the Presidency of the

Socialist Federal Republic of Yugoslavia, Ante Markovic, president of the Federal Executive Council of the SFRY, Stefan Korosec, secretary of the Presidency of the Central Committee of the League of Communists of Yugoslavia, and had talks with Budimir Loncar, federal secretary for foreign affairs of Yugoslavia.

The talks and conversations reaffirmed that the relations between the Democratic People's Republic of Korea and the Socialist Federal Republic of Yugoslavia are continuously and favourably developing along the milestone laid by the great leader Comrade Kim Il-song and respected Comrade Josip Broz Tito.

The sincere efforts of the DPRK Government to reunify the country in a peaceful way through dialogues and negotiations were appraised and it was noted that the South Korean authorities clamour about "dialogue" and "exchange" in words but they, refusing them in actuality, are putting down the people's aspiration for reunification by a fascist method, throwing away even the mask of "democracy".

It was stressed that the reunification mood is of late mounting in South Korea and the No Tae-u "regime" is an extension of the Chon Tu-hwan fascist dictatorial "regime" and the South Korean economy is a colonial dependent economy.

The Yugoslav side stated that it does not think at all of political relations with South Korea and has made no decision.

The invariable stand of the sfry government firmly supporting the DPRK government's four principles for guarantee of peace, all-inclusive peace proposal and the proposal to found a confederation was reaffirmed.

The talks and conversations affirmed that the Non-Aligned Movement has made great contributions to bringing about positive changes in international relations and laid stress on the necessity of further enhancing the role and influence of the movement in the changed situation.

Expressed there are the expectation that the coming belgrade summit would mark a significant occasion in taking practical measures to embody the principles and aims of the Non-Aligned Movement in conformity with the present trend toward detente and the resolution of the two countries to closely cooperate with each other so that the summit could be held in keeping with the principles and idea of the movement.

The talks and conversations stressed that South Korea is not entitled to join the Non-Aligned Movement in any capacity, and reaffirmed the stand of the two countries decisively rejecting any attempt of South Korea to enter into the movement.

During the visit the DPRK foreign minister and his entourage inspected the Josip Broz Tito memorial centre.

Foreign Minister Returns From Yugoslavia
*SK1304113689 Pyongyang KCNA in English 1045 GMT
13 Apr 89*

[Text] Pyongyang April 13 (KCNA)—Kim Yong-nam, vice-premier and foreign minister, and his party flew back home today after visiting Yugoslavia.

They were met at the airport by Kang Sok-chu, first vice-minister of foreign affairs, and Yugoslav and Soviet ambassadors to Korea.

Health Cooperation Accord Signed With Poland
*SK1304113589 Pyongyang KCNA in English 1033 GMT
13 Apr 89*

[Text] Pyongyang April 13 (KCNA)—A 1988-1990 plan for cooperation in public health and medical science between the Ministry of Public Health of the Democratic People's Republic of Korea and the Ministry of Health and Social Welfare of the Polish People's Republic was signed in Poland. The plan was signed by the Korean Minister of Public Health Yi Chong-yul and the Polish Minister of Health and Social Welfare Izabela Planeta Malecka.

Hwang Chang-yop Meets Polish Magazine Delegation
*SK1304154889 Pyongyang KCNA in English 1527 GMT
13 Apr 89*

[Text] Pyongyang April 13 (KCNA)—Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea, today met and had a friendly conversation with the delegation of NOWE DROGI, the politico-theoretical magazine of the Central Committee of the Polish United Workers' Party.

Present there was Yi Chang-son, deputy editor-in-chief of KULLOJA.

Guinean Leader Speaks With Kim Chin-ki
*SK1404055289 Pyongyang KCNA in English 0506 GMT
14 Apr 89*

[Text] Pyongyang April 14 (KCNA)—The Guinean Government highly estimates all the reasonable, fair and aboveboard proposals put forward by President Kim Il-song for peace in Korea and her peaceful reunification and expresses full support to and solidarity with the Korean people in their sincere efforts and struggle for their realization, says Guinean President Lansana Conte when he met DPRK ambassador to his country Kim Chin-ki on April 8.

He said that the disinterested cooperation rendered to Guinea by Korea powerfully inspires the Guinean people in their struggle for building a new society.

O Chin-u Meets Ugandan Military Delegation
*SK1404041289 Pyongyang Domestic Service in Korean
2300 GMT 11 Apr 89*

[Text] Comrade O Chin-u, minister of the People's Armed Forces, yesterday met with the Ugandan military delegation led by His Excellency Elly Tumwine, commander of the National Resistance Army of Uganda when it paid a courtesy call on him, and held a conversation in a friendly atmosphere. Also present at this meeting was Kim Kwang-chin, general of the Korean People's Army [KPA].

Speaks at Banquet
*SK1404040889 Pyongyang Domestic Service in Korean
2300 GMT 11 Apr 89*

[Speech by O Chin-u, minister of the DPRK People's Armed Forces, at a banquet hosted by the DPRK People's Armed Forces Ministry for the Ugandan military delegation led by Elly Tumwine, commander of the National Resistance Army of Uganda, held in Pyongyang on the evening of 11 April—read by announcer]

[Text] I am very glad to have a friendly meeting today with your excellency commander who came to our country with warm feelings of friendship toward us. First, representing the People's Armed Forces, I warmly welcome your excellency commander.

Our two countries are both newly emerging countries struggling to build a peaceful and prosperous new society upholding the anti-imperialist banner for independence and stand in the same ranks of the Nonaligned Movement. I am convinced that your visit to our country will contribute greatly to further solidifying and developing friendship and cooperation relations between the armies of Korea and Uganda.

Our people and the soldiers of the KPA are watching the struggle of the Ugandan people to build a new society with great interest. The struggle in your country to achieve the country's stability and to build a new society is firmly guaranteed by the National Resistance Army, the dependable armed forces of the Ugandan people.

We sincerely wish the Ugandan people new success in the struggle henceforth.

Under the wise leadership of the great leader Comrade Kim Il-song and the dear Comrade Kim Chong-il, our people and the KPA officers and men are waging a vigorous struggle to greet this year, the last year of the eighties, as a year of historic victory.

Although easing of tension and arms reduction are now a historical trend, the situation on the Korean peninsula is still tense. The U.S. imperialists and the South Korean puppet clique conducted the "Team Spirit-89" joint

military exercise this year as well, mobilizing an enormous number of troops of some 200,000 men despite the denunciation of our people and the peace-loving people of the world, extremely straining the situation in our country.

Our KPA is keenly watching their every movement and is waging a vigorous struggle to complete its combat readiness.

I take this opportunity to express our deep gratitude to the Ugandan people and the officers and men of the National Resistance Army for their active support for our people's struggle to build socialism and to realize the independent and peaceful reunification of the country.

I hope that the Ugandan military delegation's visit to our country will be successful, and would like to propose a toast to the friendship between the peoples and armies of Korea and Uganda, to the long life and good health of the respected His Excellency President Yoweri Museveni, to the long life and good health of the great leader Comrade Kim Il-song, to the long life and good health of the dear leader Comrade Kim Chong-il, and to the health of the members of the Ugandan military delegation and the comrades who are present here.

Yi Chong-ok Departs for Visit to Madagascar
SK1304113389 *Pyongyang KCNA in English 1044 GMT 13 Apr 89*

[Text] Pyongyang April 13 (KCNA)—Vice-President Yi Chong-ok, a special envoy of the great leader President Kim Il-song, and his entourage left here today for a visit to Madagascar.

They were seen off at the airport by Vice-President Pak Song-chol and other personages concerned and Minister-Councillor of the Soviet Embassy in Pyongyang Boris Morozov.

Kim Il-song Receives Birthday Greetings

Soviet Leaders Send Message
SK1404085389 *Pyongyang Domestic Service in Korean 0800 GMT 14 Apr 89*

[Text] The general secretary of the CPSU Central Committee and the chairman of the USSR Council of Ministers extended congratulations to the great leader Comrade Kim Il-song.

Comrade Mikhail Sergeyevich Gorbachev, general secretary of the CPSU Central Committee and president of the USSR Supreme Soviet Presidium, and Comrade Nikolay Ivanovich Ryzhkov, chairman of the Council of the Ministers, extended congratulations to the great leader Comrade Kim Il-song, general secretary of the Workers Party of Korea Central Committee and president of the DPRK, on the occasion of his birthday.

Congratulations to the great leader were handed to Comrade Ho Tam on 12 April by Gennadiy Bartoshevich, Soviet ambassador extraordinary and plenipotentiary to our country.

PRC Leaders Send Congratulates
SK1404105589 *Pyongyang KCNA in English 1030 GMT 14 Apr 89*

[Text] Pyongyang April 14 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea (WPK) and president of the Democratic People's Republic of Korea, received congratulations from leading party and government cadres of China and a floral basket from the Central Committee of the Communist Party of China on the occasion of his birthday.

The congratulations and floral basket were handed to Ho Tam, secretary of the Central Committee of the WPK by Wen Yezhan, Chinese ambassador extraordinary and plenipotentiary to Korea, on April 14.

Congratulated by Mongolian Leader
SK1304153589 *Pyongyang KCNA in English 1512 GMT 13 Apr 89*

[Text] Pyongyang April 13 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, received congratulations from Comrade Jambyn Batmonh, general secretary of the Central Committee of the Mongolian People's Revolutionary Party and chairman of the Presidium of the Great People's Hural of the Mongolian People's Republic, on the occasion of his birthday.

His sincere warm congratulations and wishes for longevity were conveyed to President Kim Il-song by Perenlein Urjinkhunde, Mongolian ambassador E.P. to Korea, on April 12.

Gift Received From Bulgaria
SK1304152789 *Pyongyang KCNA in English 1516 GMT 13 Apr 89*

[Text] Pyongyang April 13 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, received a gift from Comrade Todor Zhivkov, general secretary of the Central Committee of the Bulgarian Communist Party and president of the State Council of the Bulgarian People's Republic, on the occasion of his birthday.

The gift was handed to an official concerned by Peter Danailov, Bulgarian ambassador extraordinary and plenipotentiary to Korea, on April 12.

Receives Flowers From 'Arafat

SK1304153189 Pyongyang KCNA in English 1510 GMT
13 Mar 89

[Text] Pyongyang April 13 (KCNA)—A basket of flowers came to President Kim Il-song of the Democratic People's Republic of Korea from President of the State of Palestine Yasser Arafat on the occasion of his birthday.

It was handed to an official concerned by Mustafa Sapharini, ambassador extraordinary and plenipotentiary of the State of Palestine to Korea, on April 13.

Cuban Ambassador Holds Party

SK1404052489 Pyongyang KCNA in English 0449 GMT
14 Apr 89

[Text] Pyongyang April 14 (KCNA)—Cuban Ambassador to Korea Juan Jose Leon Vega gave a reception last evening at his embassy on the occasion of the birthday of the great leader President Kim Il-song.

Addressing the reception, Ambassador Juan Jose Leon Vega said that Comrade Kim Il-song had been devoting his whole life to the struggle for the betterment of mental and material life of the people and for the development of the socialist society in the Democratic People's Republic of Korea.

Comrade Kim Il-song, an outstanding statesman of the international communist movement, he pointed out, enjoys respect and reverence from millions of people the world over who are struggling to do away with injustice, oppression and legacies of capitalist society.

He stressed that Comrade President Kim Il-song advanced many just proposals for the independent and peaceful reunification of the country, a vital question of the Korean people, and put forward concrete propositions in his New Year address for this year, in particular. The Communist Party, government and people of Cuba calling for only one Korea will always support and encourage in the future, too, the Korean people's just cause of national reunification, true to the principles of internationalism and solidarity, he added.

Kim Yong-sun, director of a department of the Central Committee of the Workers' Party of Korea, spoke next.

Referring to the Cuban people's all-round development in economic, cultural, ideological, moral and all other spheres in the past period, he stressed that these successes are a shining fruition of the correct leadership of Comrade Fidel Castro Ruz possessed of strong revolutionary principle, indomitable fighting spirit and unbounded loyalty to the cause of socialism and communism.

He said that our party and people rejoice as over their own over the achievements made in Cuba, and wished the fraternal Communist Party and people of Cuba new

successes in socialist construction and the building of the nation's defence capabilities, upholding the resolutions of the third congress of the party.

The speakers said that the close intimacy forged between the two leaders is a solid foundation and basic guarantee for the strong friendship and unity between the two parties and two peoples and their invincible might.

Kim Chong-il Receives Gift From Sihnaouk

SK1304154989 Pyongyang KCNA in English 1539 GMT
13 Apr 89

[Text] Pyongyang April 13 (KCNA)—Comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea, received a gift from His Royal Highness Samdech Norodom Sihanouk, President of Democratic Kampuchea, on visit to Korea.

The gift was handed to an official concerned today.

South Korea

Welcome Rallies for Mun Turned Antigovernment

SK1404011089 Seoul THE KOREA TIMES in English
14 Apr 89 p 3

[Text] Over 10,000 riot policemen yesterday sealed off Kimpo International Airport in Seoul and prevented dissidents and students staging a rally to welcome the Rev. Mun Ik-hwan home. No violent clashes occurred.

In Seoul, police detained some 1,800 people, but most of them were released. Thousands of students in 19 universities across the nation held campus rallies supporting Mun's controversial trip to North Korea.

Beefing up security checks on roads leading to the Kimpo Airport, police blocked almost everyone coming in. Only those who had air tickets and a limited number of companions were allowed in.

To avert a planned welcoming rally, thousands of riot police in green combat fatigues were also deployed around Yonsei University in Seoul from early morning.

Police detained 770 students who tried to get into the campus to join the rally. Denouncing the government, hundreds of students demonstrated on the campus. Riot police blocked students going out into the street to protest.

Paek Ki-wan, a prominent dissident leader and an advisor to Chonminnyon or the National Alliance for Democratic Movement, and 22 dissidents were stopped by police around noon on a road nearby the Kimpo Airport. They turned back after an hour protest.

A few members from a dissident family group tried to go into the airport terminal about noon, but were quickly led away by police. However, police did not block a North Korean-born people's group from entering and distributing leaflets condemning Mun's travel to Pyongyang.

"Everybody loitering in the airport would be detained in the afternoon," a high-ranking police officer said, refusing to reveal the exact number of persons detained. No arrests were reported.

Many air travellers had a hard time passing manned check points in the tightened security measures. "I have to help my old mother with the check-in procedure. Police just won't let me in," complained businessman Yi Tae-il.

The Rev. Mun was whisked away by government security agents upon his arrival at 12:35. Twenty agents boarded a Northwest Airlines Flight 061 from Tokyo and arrested Mun minutes after the jet landed on charges of violating the National Security Law. Mun's companion Yu Won-ho was also arrested.

Agents put them separately into two black Granada sedans waiting on the airport tarmac and ran off to the Olympic Road through a rear gate. Mun and Yu did not show any resistance when they were arrested on the plane, passengers said.

"He looked very calm when they told him 'Let's go,' an eyewitness told journalists. Aboard the flight were 87 Koreans and 311 foreign nationals.

Mun Tong-hwan, the Rev. Mun's younger brother and also vice-president of the opposition Party for Peace and Democracy, waited in vain at the airport terminal with their 94-year-old mother, the pastor's wife and eldest son.

"I am sorry that many people do not understand why my husband visited Pyongyang," the Rev. Mun's wife Pak Yong-kil told journalists in the airport lobby. Looking at her old mother-in-law silently sitting beside her, Pak said, "They should at least have allowed him to see his old mother waiting here.

"I am proud of what he did. His trip will surely do good for the reunification of this divided country," she said. Mun called home last Wednesday night but only worried about his granddaughter who was recently hurt in a traffic accident, according to Pak.

"This is outrageous," Mun Tong-hwan said upon hearing of his brother's arrest. He quickly left the airport with lawmaker Yi Hae-chan.

More than a thousand students staged a rally welcoming Mun with dissident guests on the Yonsei University campus at 12:30 in the afternoon. Hearing of Mun's arrest upon his arrival, they transformed it into a protest rally as planned

Kye Hun-che, an advisor to Chonminnyon, praised Mun's trip as a successful breakthrough in his opening address at the rally held in front of the university library.

"This regime finally revealed its dictatorial nature," dissident Buddhist monk Chison told the rally. Asked for his comment on Mun's arrest, Choe Chang-hak, chairman of a Seoul dissident group, said, "This is a pure fraud."

Yu Won-ho Claims Mun Notified RDP of Visit
SK1404004889 Seoul THE KOREA TIMES in English
14 Apr 89 p 2

[Text] Dissident pastor Mun Ik-hwan had allegedly conveyed word of his visit to Pyongyang to Kim Yong-sam in advance through one of his Pyongyang entourage Yu Won-ho immediately after he left for Japan on April 20.

Kim's Reunification Democratic Party [RDP] yesterday denied Yu's allegations.

Making the revelation at a Tokyo hotel Wednesday, one day before his departure for Seoul, Yu said he visited the Reunification Democratic Party to see Kim and talked to him about Mun's Pyongyang visit on the afternoon of April 20, shortly after Mun left for Japan.

Yu, arrested yesterday upon his arrival from Japan, said Kim seemed "a bit embarrassed" of the intention. Yu quoted Kim as saying "it's important that many of us here should see the people in the North."

Yu said he revealed to the RDP leader then that he was accompanying Mun on his Pyongyang trip. Yu arrived in Tokyo on April 22 and joined Mun there.

Yu said as he had been a member of Kim's RDP then, he told Kim he was submitting a letter resigning his membership because he felt his Pyongyang visit would be a "burden" to the opposition party. But the RDP leader persuaded him not to, Yu contended.

Meanwhile RDP vice president Kim Tong-yong said, quoting Kim Yong-sam, that the party leader had met Yu in the corridor of his party office on April 20.

"At the time, Yu talked about his Pyongyang visit, but Kim just let it pass in one ear and out the other because he was not quite sure if Yu was a party member or if he was in any way affiliated with dissident forces," Kim said, quoting the party leader.

RDP spokesman Yi In-che dismissed Yu's prior consultation with Kim Yong-sam on his Pyongyang visit as "sheer nonsense," citing that Kim does not know Yu, though he is a party member.

But Yi admitted that Yu had asked to meet with Kim to pass him "some information."

No Change in Relationship With Pyongyang Claimed
*SK1404105089 Seoul YONHAP in English 1041 GMT
14 Apr 89*

[Text] Seoul, April 14 (YONHAP)—The South Korean Government decided to hold the inter-Korean sports talks on April 18, as scheduled, despite domestic political tension accruing from dissident Mun Ik-hwan's recent unauthorized visit to North Korea, a spokesman for the government said Friday.

"Despite the incident involving the Rev. Mun, there is no change in the basic relationship with Pyongyang. Our relationship with the North is based on the July 7 declaration," National Unification Minister Yi Hong-ku said after an inter-ministry meeting finished a discussion on the matter.

South Korean President No Tae-u declared July 7 last year that the Seoul Government would not take the Pyongyang regime as its enemy.

He and another responsible government official hinted Thursday that the sports talks may be delayed owing to South Korea's internal problems.

Among participants at the meeting, presided over by the prime minister, were ministers of unification, foreign affairs, sports, and first political affairs, the director of the Agency for National Security Planning and senior officials of the presidential office.

Yi, however, said the meeting shelved a decision on whether to postpone further the third preparatory contact for inter-Korean prime ministers' talks that North Korea has recently delayed to April 26.

Yi said, "the government will decide its position after reviewing the domestic situation."

Meanwhile, another official hinted that the government may seek to delay the preliminary talks to mid-May in belief that it would not be good enough to hold the talks on April 26 because of the ongoing controversies surrounding ruling camp's move to seek legal actions against Mun and dissident groups' alleged threat to stage a general strike on May Day.

Daily Urges Firm Northern Policy
*SK1404075989 Seoul CHUNGANG ILBO in Korean
11 Apr 89 p 2*

[Editorial: "A Northern Policy That Should Be Firm"]

[Text] The northern policy, which has actively been promoted since the inauguration of the Sixth Republic, has been evaluated as desirable and suitable for the times, in terms of reasonable course for North-South relations and in terms of the circumstances surrounding its neighbors. The ultimate goal of the northern policy, though it emphasized economic exchanges, has been

regarded as the will to improve political relations and to effect qualitative political exchanges, by destroying ideological barriers and by expanding mutual economic reliance.

In a macroscopic view, the calculations behind the northern policy have been aimed at improving relations with neighboring communist countries, which have maintained friendly relations with North Korea, which, as a result, may lead to improving North-South relations, during a situation in which Seoul-Pyongyang dialogue has fallen short of expectations. The northern policy, in other words, was regarded as the roundabout road to approach Pyongyang, by way of Eastern Europe, Beijing, and Moscow.

It seems that it is difficult to realize this early if the PRC and the Soviet Union, which have persistently insisted on separation of politics and economy, are receptive to the attitudes of Pyongyang. However, the northern policy has already borne fruit in Eastern Europe, starting from the establishment of diplomatic relations with Hungary. Therefore, we think the northern policy is heading in the right direction and is a reasonable diplomatic policy worth promoting continuously.

We felt sorry to hear the reports that our government recently persuaded an economic delegation to indefinitely postpone its plan to visit Moscow, a plan which was made a long time ago and which was about to be carried out.

The two factors, the shock of Rev. Mun Ik-hwan's visit to the North, and the discontent over the principle of separating politics and economy of the PRC and the Soviet Union, may have had an influence on the government's decision. Of these two, we think we can understand the second factor.

Because the right path of diplomacy depends upon the principle of reciprocity, expressing discontent, as a tactic to have the PRC and Soviet Union revise their attitudes, is proper, so long as an even balance is maintained in order to implement our side's intention.

The first factor, however, is contrary to the government's intention. No matter how hard North Korea, ignoring the Korean Government's legitimacy, tries to hold abnormal relations with our social organizations that suit the North's intention, we think that the diplomatic countermeasure, which our government should take, is to mount pressure toward the North through the roundabout road.

After all, our northern diplomacy relies on the significant assumption that the pragmatic forces, agreeable to our roundabout strategy, exist in North Korea. If we are to achieve development in North-South relations, by encouraging the pragmatic forces, which our initial

northern policy meant we should, with patience, steadily push ahead with relations with the PRC and the Soviet Union. If we retreat now, it is clear that adverse results come about.

We have repeatedly stressed that the basis of our northern policy should not be shook while coping with Rev Mun's visit to the North. The reason is that, first, our government should maintain consistency in its domestic and foreign policies to maintain persuasion and authority toward the nation and other partners; and secondly, our fundamental stand should not be shook by the North's strategy to throw us into confusion, in order to continuously demonstrate, without tottering, the initiative which was taken by government in the beginning of northern policy.

We believe that the establishment of a direction for domestic democratization should maintain its consistency, and at the same time, that the basic diplomacy should be firm. We are afraid that the countermeasures against Rev Mun's visit to the North would bring about domestic hardship and external passivism.

Contacts With North Need Prior Approval
SK1404013089 Seoul THE KOREA HERALD in English
14 Apr 89 p 2

[Text] Any civilian who wants contacts with north Koreans in third countries for political and business purposes will need prior government approvals.

Until now, civilians were allowed to meet north Koreans in foreign countries with a report, before or afterward, to the Korean embassies or other authorities concerned in those countries.

A government official said the measure was taken to discourage the kind of civilian contacts of south and north Koreans in third countries that have given rise to various problems, such as the case of the clandestine visit to Pyongyang by the Rev. Mun Ik-hwan.

An activist literary group also recently proposed to north Koreans that they meet in third countries for discussion of unification.

According to the official, the government is also considering a plan to include a provision in the guideline for south-north exchanges now under study in order to levy tax on goods imported from north Korea.

He said the provision, to be adopted by the Council for South-North Exchanges and Cooperation soon, is aimed at preventing the possible unfair competition in transaction as the goods from north Korea are to be exempted from customs tax in line with the government policy to treat the inter-Korean transaction as internal trade.

The official, however, said the Koreans with permission as permanent residents in foreign countries will continue to be allowed to visit north Korea provided they make a report to the Korean embassies or consulates before or after the travel. But they will not be allowed to stay there for over 60 days, he said.

In the meantime, the government is considering shelving all the dialogues underway between south and north Korea until after the issue of the Rev. Mun and other domestic political issues are settled to some extent.

An informed government source said it is also examining the possibility of putting off the third south-north sports talks, scheduled at Panmunjom April 18 to discuss the formation of a joint Korean delegation to the 1990 Beijing Asian Games.

He said some government officials are advocating putting off the schedule, claiming that the talks, if convened as scheduled, are unlikely to be fruitful, and instead would only worsen confrontations between the south and the north.

Government Arrests HANGYORE SINMUN Writers

Action Creates Tension
SK1404092389 Seoul YONHAP in English 0829 GMT
14 Apr 89

[Text] Seoul, April 14 (YONHAP)—The Mun Ik-hwan's unauthorized visit to Pyongyang and the government's subsequent moves against dissidents and similar unofficial attempts to contact North Korea are creating tension between the administration and the press.

The arrest of Prof. Yi Yong-hui, an editorial writer for the HANGYORE SINMUN, and detention of HANGYORE Vice President Yim Chae-kyong on Friday have provoked a series of protests and complaints.

Yi is charged with attempting to arrange a trip to North Korea by a HANGYORE team to interview Pyongyang Kim Il-song. [sentence as received]

Agents of the Security Joint Investigation Headquarters, set up when the news broke that Mun had secretly traveled to North Korea, have searched the house of Chang Yun-hwan, editor-in-chief of the year-old daily, as well as those of Yi and Yim.

HANGYORE is outspoken in its criticism of President No Tae-u's government and praised the Presbyterian pastor's visit to Pyongyang while other papers criticized it as an "illegal act."

Immediately upon arrival from Tokyo Thursday afternoon, Mun was arrested and is now being questioned on what he did in Pyongyang.

Opposition parties have urged the government to release Yi, a journalism professor at Seoul's Hanyang University, and cease crackdown on HANGYORE, labeling the moves suppression of and a threat to the press.

The Journalists Association of Korea, which criticized news media for "their conservative lines in covering Mun's North Korean trip," has issued a statement denouncing the government.

"Arrests and detentions of journalists are serious challenges to the freedom of the press and the unprecedented crackdown on the press is a step away from democratization," it said.

The association composed largely of junior journalists vowed to fight against undemocratic measures "with the united will of all 4,000 members."

The HANGYORE labor union, in an emergency session Friday morning, called on the government to "release Prof. Yi and Vice President Yim, dissolve the security joint investigation headquarters and stop the crackdown on national and democratic forces."

A statement adopted at the meeting said Yi and Yim planned to visit North Korea in order to view the reality of life in the communist North and fulfill their legitimate function of providing news coverage and said the government's act reveals its true nature.

Kwon Kun-sol, acting editor-in-chief of HANGYORE, said at a press conference that the newspaper had canceled the trip since it was regarded as "unrealistic."

"We would have consulted with the authorities if the plan had been judged realistic," Kwon said.

The government, however, denies that the crackdown on the newspaper critical of the government is in retaliation for its editorial policy.

"The government action is part of judicial procedures in connection with Rev. Mun's trip to North Korea, rather than a journalistic matter," an official at the Culture and Information Ministry said.

PPD Calls for Professors Release

SK1404013689 Seoul THE KOREA HERALD in English
14 Apr 89 p 3

[Text] Rep. Yi Sang-su, spokesman for the opposition Party for Peace and Democracy [PPD], yesterday made a strong call for immediate release of Prof. Yi Yong-hui and Paek Nak-chong, who were taken away by law-enforcement authorities Wednesday for interrogation in connection with their alleged involvement in the Rev. Mun Ik-hwan's trip to north Korea.

"We can't repress our anger over the government's ongoing move to arrest dissident leaders and even university professors devoting themselves to academic works by using the Mun incident as an excuse to crack down on leftists," Yi said.

The PPD will not simply sit idle if the government continues to repress the democratic forces while shirking its public pledge of liquidating irregularities of the Fifth Republic, Yi added.

Yi Yong-hui Formally Arrested

SK1404025189 Seoul YONHAP in English 0246 GMT
14 Apr 89

[Text] Seoul, April 14 (YONHAP)—The prosecution formally arrested Professor Yi Yong-hui Friday in a continuing crackdown on dissident figures triggered by the Rev. Mun Ik-hwan's unauthorized trip to Pyongyang, but released Seoul National University Professor Paek Nak-chong, who was led away Wednesday along with Yi for questioning.

Yi, a journalism professor at Seoul's Hanyang University and an editorial writer for a newspaper, is charged with attempting to arrange a visit to North Korea, which is defined as an "anti-state body" by the National Security Law.

He flew to Tokyo in January to arrange the trip for himself and several reporters of the HANGYORE SIN-MUN, a Seoul daily founded last year by critics of the government.

Prosecutors also said he asked an executive of Iwanami, a publishing house in Tokyo, to arrange a visit by a HANGYORE team to Pyongyang and an interview with North Korean leader Kim Il-song and handed the Japanese a letter confirming this intention.

Yi discussed the North Korea visit with senior members of HANGYORE and obtained their approval in March.

Investigators have searched the houses of HANGYORE Vice President Yim Chae-kyong and editor-in-chief Chang Yun-hwan and Yi's research room at Hanyang University.

Agents from the Agency for National Security Planning, the top intelligence organization, have detained Yim for questioning about his involvement in Yi's plan to visit North Korea.

Meanwhile, the opposition Party for Peace and Democracy and Reunification Democratic Party urged the government to release Prof. Yi and cease its crackdown on HANGYORE, labeling the moves suppression of and a threat to the press.

Pro-North University Article Investigated
SK1404121089 Seoul TONG-A ILBO in Korean
14 Apr 89 p 15

[By reporter Hong Kon-sun from Kwangju]

[Text] The Kwangju District Prosecutor's Office Special Investigation Department headed by senior prosecutor Chong Chung-su has confirmed the advocacy of the North Korean side in an article entitled, "The 25 June Korean War Was One of National Liberation" that was carried intact by the first issue of MINJU CHOSON, the school magazine of Choson University, published and distributed late last month. The department also confirmed it had begun an investigation into the background of this magazine's publication.

In an article entitled "The 100-year History of the U.S. Imperialists Aggression" published in the name of the "National History Society," the magazine wrote that "the U.S. imperialists, the sworn enemy who invaded the fatherland over the course of 120 years, and anti-reunification, nation-selling, flunkyst forces are maneuvering to perpetuate the nation's division through the separate entry of the North and South into the United Nations and cross-recognition of the North and South, and to permanently rule the nation as a colony by stabilizing the No Tae-u nation-selling regime."

The article also said that "45 years have passed since the U.S. imperialists, who are the prime common enemy of all progressive people, militarily occupied South Korea" and that "the Korean war, triggered on 25 June, was an unjust war designed by the United States to grasp all of Korea by destroying the People's Republic," thus putting forth wholesale advocacy of the North Korean side.

With a search and seizure warrant issued by the Kwangju District Court on 12 April, the prosecutors office confiscated 60 volumes of this magazine at the (Agpha) printing house at Sosok-tong, Kwangju, and plans to summon and investigate professors and students involved in publishing the magazine.

*** Reactions to Chung's Visit to North Korea**
41070073 Seoul TONG-A ILBO in Korean 7 Feb 89 p 3

[Two-part article by TONG-A ILBO reporters Yi Chong-kak and Nam Chan-sun; Part 1 by Yi Chong-kak entitled: "Ruling Party: First Major Accomplishment of the Sixth Republic, Preparing for the Improvement of the Related Laws"; Part 2 by Nam Chan-sun entitled: "Opposition Parties: 'Diplomacy Behind the Screen Without Opposition's Participation...Problems in the Process'"]

[Text] Although both the ruling and opposition parties favorably evaluate the government's foreign policy toward the northern countries [including North Korea, China, and the USSR], especially the activities of Chung

Chu-yong, honorary chairman of the Hyundai Group who recently visited North Korea, they are showing a skeptical attitude accompanied by an uneasiness with its form and content.

While the Democratic Justice Party (DJP) is hastily preparing to support the government's activities to improve relations with North Korea, including improvement of the related laws and regulations, opposition circles are arguing that the effort to promote exchange with the North is being carried out too hastily and in a monopolistic manner by the government and some selected private industrialists, and that it should be changed in a way to reflect a pan-national consensus. They need sufficient negotiation time to do so, and thus decided to initially apply the brakes to the government's effort.

Accordingly, in the National Assembly special session, which will open on 13 February, it is expected that the policy toward the North, along with the cleanup work associated with the Fifth Republic's wrongdoings, will be the major political issues.

[Part 1]

The DJP highly evaluates Chung Chu-yong's visit to North Korea as the "first substantiation of the Sixth Republic's policy toward the North." The DJP, with the government's help, hastily began preparation of policies to support the human and material exchange between the South and the North, including improvement of related laws and regulations.

The government and the DJP plan to have a working-level meeting on the 8th, and a high-level party policy meeting on the 9th, with Prime Minister Kang Yong-hun and DJP representative Pak Chun-kyu attending, to discuss overall policy and related problems, including improvement of related laws and regulations, establishment of an exclusive support organization, and unification of the negotiation channel.

To support direct exchanges, such as joint investment and tourist visits, between the South and the North, they should modify the National Security Law, which currently prohibits all activities favorable to the North, as well as the trade and foreign currency laws.

In addition to these laws, the Passport Law, the Immigration Control Law, the Construction Business Law, the Tourist Business Law, and the Communication and Postal Law should also be modified to remove the elements that hinder South-North exchange.

Accordingly, the DJP plans to pass the "Special Law Promoting South-North Exchange" Bill (tentative title), which is currently being promoted, in February's special session of the National Assembly, together with a modification of the National Security Law.

Since it is not practical to change every article related to the South-North exchange, the government and the DJP are planning to create a special law which can achieve the same effect as modifying all the related laws.

Together with the "Special Law Promoting South-North Exchange," the government is concurrently promoting establishment of a "Special Law for Exchange and Cooperation Between South and North," which will be the basic law on diplomacy toward the North and on the reunification policy.

Exchange policies are presently being haphazardly introduced by all administrative branches of the government as well as by civilian organizations. In light of the need to have one organization to control and manage exchange policies between the South and the North, the government and the DJP are considering establishment of a "supporting committee for economic cooperation between the South and the North" (tentative title), with members drawn from government economic branches, the Ministry of Foreign Affairs, the National Unification Board, and the Agency for National Security Planning.

The DJP plans to adopt a party-level policy after hearing directly from Chung about his meeting with high-ranking North Korean officials and other "detailed accounts."

The DJP assesses that economic exchanges between the South and the North, such as the joint development of Mt Kumgang [Kumkangsan], is effective for mutual understanding and the growth of trust in political and military areas. They are expecting substantial results from Chung's visit to North Korea. Some party members, however, view its method and content negatively, saying, "it is too oriented toward bragging and done too hastily."

Some people were concerned about the possibility of repeating the "South-North dialogue under the Pak Chong-hui regime," which is criticized for the abuse of the Yushin system, in case the people's high expectations for developments such as the Kumkangsan tour might vanish because of the North's strategy and tactics.

One high ranking government official recently indicated that there may be some heavyweight follow-up measures related to North Korea, such as "a meeting between No Tae-u and Kim Il-song," saying that there may be more surprising news in addition to Chairman Chung's visit to North Korea.

The DJP is expected to present a remarkable product in foreign policy toward the North in preparation for the midterm evaluation of President No, including presenting the joint development of Kumkangsan as one of President No's accomplishments.

[Part 2]

Although the three major opposition parties—the Party for Peace and Democracy (PPD), the Reunification Democratic Party (RDP), and the New Democratic Republican Party (NDRP)—give a positive appraisal to Chung's visit to North Korea as providing "new breathing room to the South-North relationship," they cannot do away with their misgivings concerning its background, motivation, and the possibility [for various talks] to materialize.

The opposition parties' initial reaction is inclined toward praising and welcoming Chung's activities based on the fact that his visit made a big step toward improving the South-North relationship, and that his visit is getting absolute approval in public opinion.

However, it is true that the opposition parties, which have been isolated during the planning for Chung's activities, are dissatisfied that they did not play any role in them and, at the same time, are uneasy because of their failure to grasp what is going on.

The three opposition parties share the opinion that a bipartisan policy is needed in foreign policy toward the northern countries and in the South-North Korean relationship. However, they have been promoting their own independent activities by setting their own boundaries. As foreign policy toward the northern countries and the relationship between South and North Korea became major political issues, it became even more urgent for the opposition parties to apply the brakes to the unilateral initiative undertaken by the government and the ruling party. The opposition parties' rationale is that since they are responsible for leading domestic political development, they also have to play a significant role as a "real power" in foreign policy toward the northern countries and in the South-North relationship.

Nevertheless, because of their special nature and limitations in their activities, the opposition parties have always been neglected in the decisionmaking processes of major foreign policy. Opposition circles consider Chung's visit to North Korea another typical example of such an instance; thus they are questioning the government and ruling party's motivation on Chung's visit. Although improving the South-North relationship clearly justified and motivated his visit, the opposition parties see the government and ruling party's intention as taking advantage of the situation by relating it to domestic politics. Considering the current political situation, which is adverse to the ruling circle, the opposition parties interpret the secret action of the government and ruling party, which have been declaring that they will promote a unification policy based on national consensus, as "shock treatment."

Second, they point out the problems associated with procedure and form that made Chung's visit to Pyongyang possible. Choe Hyong-u, RDP floor leader, pointed

out that "even Prime Minister Kang Yong-hun was not aware of the details. This is not a problem of whether or not he was informed of the fact, but one in that the government is not conducting an important foreign policy through official channels." The opposition circles expressed strong doubt about the activities of Pak Chol-on, assistant to the president at Chongwadae, who is known to be a powerful man behind-the-scenes in policymaking toward the North; and they plan to investigate the possible illegality of his activities.

Third, some concerned people point out that if the South-North relationship is not initiated by the political powers, it will very possibly be that the consequences are dangerous. Politics and the economy are not separate in North Korea, but they are completely separate in South Korea. Under such circumstances, if the government assigns the role of contact point with North to an industrialist, a lot of problems will be generated.

Fourth, if such incidents as Chung's visit to North Korea continue as long as various laws and regulations are not carefully looked into and modified appropriately, questions will arise as to how to explain "legal friction." The government should have looked into the laws and regulations related to North Korea and should have properly improved them in advance.

The opposition parties' degree of discomfort is intensifying, since the government and the ruling party are not even showing any intention to voluntarily explain the content and consequences of Chung's visit to the North.

The PPD and RDP are planning to make inquiries during the National Assembly special session, which begins on the 13th, while concentrating on the government's abnormal diplomatic behavior and monopolistic policymaking on the South-North relationship.

Trade Talks With U.S. End in 'No Progress'
*SK1404063289 Seoul YONHAP in English 0554 GMT
14 Apr 89.*

[Text] Washington, April 13 (YONHAP)—Three days of trade talks between South Korea and the United States ended here Thursday with officials as far apart as ever on major sticking points.

Korea's chief delegate told reporters that the two sides just confirmed each other's position but made no progress.

Kim Chol-su, assistant trade and industry minister, said both sides agreed to meet again here on April 25-26 for another round of discussions.

U.S. officials demanded Korea open its markets to agricultural products, lower import barriers and ease restrictions on foreign investments, he said.

The U.S. will decide whether to designate Korea a priority foreign country (PFC) for trade negotiation under the 1988 U.S. trade act depending on progress made in those three areas, Kim said.

He said the U.S. officials expressed strong discontent with the three-year market opening program for agricultural imports announced by Seoul a week ago.

The program calls for opening the domestic market to 243 agricultural and fisheries goods, including 62 of the 119 such items that the United States has been pressing for.

The U.S. side demanded Korea open markets for the items it wants and continue to lower tariffs on agricultural and fisheries imports, he said.

The United States also demanded Korea open its markets to Alaskan pollack and flatfish and ease quarantine controls on imported cherries.

The chief Korean delegate said the United States is expected to produce a list of additional items in the second round of talks.

South Korean trade officials, however, made it clear that they could not consider any further opening of markets to agricultural and fisheries imports.

Kim said he told the U.S. officials that the three-year market opening program is the best South Korea can do in light of the structural problems of its agricultural industry.

Kim added, however, that he expressed willingness to consider easing controls on imported cherries.

As for legislative import restrictions to encourage domestic manufacturing of particular goods, U.S. officials demanded the removal or relaxation of the unilateral restrictions and customs clearance procedures for medicines and cosmetics in particular.

Kim said they also expressed interest in improving Korea's labelling of imported foods while demanding improvements in the case-by-case screening system for foreign investments and automatic approval of investments in areas other than those involving national security.

Kim said the U.S. side headed by U.S. Trade Representative (USTR) Carla Hills demanded freedom to invest in accounting firms, law firms, insurance brokerages and travel agencies.

South Korea plans to remove the ceiling on foreign investments and give automatic approval of investment projects in which foreign investors own less than 50 percent of the equity, he told them.

"This time, U.S. officials seemed to understand our problems. But their demands for market opening remain tough," Kim said.

"As of now, it is difficult for me to say whether the talks will make a breakthrough," he added.

Daily Criticizes Farm Product Import Schedule
SK1404095589 Seoul HANGYORE SINMUN in Korean
11 Apr 89 p 6

[Editorial: "Import Liberalization Which Threatens the Farmers' Existence"]

[Text] As stereotypical things repeatedly take place under the exact same pretext, we have rather become amused, rather than becoming resentful. Frankly speaking, this was what we felt on 8 April when the so-called farm and fisheries products import liberalization schedules and their compensation plans were being announced.

In 1978, when the question of import liberalization was beginning to be debated for the first time, the government stressed that import liberalization was the only way to avoid trade friction and defend our interests. And, as late as last January, when our market was being opened for 22 kinds of farm and livestock products, there was absolutely no change in saying that this was to avoid U.S. pressure and protect our farmers.

The only difference, if any, was that this time a very strong will was expressed to further accelerate the pace of import liberalization. Though 138 different products have been allowed to be imported over the past 5 years, the government this time said that our market would be opened for 243 different products over the next 3 years. It has been reported that the minister of agriculture, forestry, and fisheries very obtrusively disclosed his ambition that he would do what he must, regardless of opposition. In this connection, we would like to ask for whom he would do what he must. He also made a poor excuse by saying that the step of drastic liberalization taken this time is a strategy to give a favorable impression to the opposing side by allowing wholesale liberalization for those products which are not very competitive in our market or the import of which would create no serious problems in terms of size. However, this excuse is far from what would actually happen. For example, through such eyewash as banning the import of soybeans while allowing the import of soybean oil and residues, and disallowing the import of corn while importing corn flour, can any substantial effect be expected?

The so-called compensatory programs for farmers and fishermen are also equally inadequate. If the grape growers, who would suffer losses because of wine imports, would benefit from the compensation programs, similar compensations should be equally granted for the watermelon growers, who would suffer because of

the import of bananas. However, there has been no consideration whatsoever with regard to this. The extremeness and seriousness of disputes and disturbances which would develop in the course of selecting beneficiaries and calculating the amounts of monetary compensations would be incomparable with what happened during the pepper incident. Moreover, compensation funds would be provided by the taxpayers who would consume imported products. Then, for whom should we make such a fuss? We should ponder this. Of course, the government is talking about the threat of the U.S. Omnibus Trade Act and an offensive through the General Agreement on Tariffs and Trade [GATT]. However, we should find a way out precisely in these problems. We should conduct a thorough self-examination over the fact that we have become the target of the United States, and that we have invited troubles from the GATT by frivolously hurrying to abide by Article 8 of the agreement of the International Monetary Fund. This is because, only then, can we keep ourselves from inviting the same troubles for the same cause.

Paper Warns of Japan's Approach to North Korea
SK1404071689 Seoul TONG-A ILBO in Korean
13 Apr 89 p 2

[Editorial: "Distance Between Tokyo and Pyongyang"]

[Text] Japan and North Korea are making brisk efforts to improve relations between the two countries. The Japanese prime minister "apologized" to North Korea; a delegation of the Japanese Socialist Party [JSP] visited North Korea; the Japanese minister of foreign affairs expressed an intention to open an "office" in Pyongyang; and Japan revised the Passport Law. As is shown, Japan's attitudes are changing almost everyday.

Japan, which is making efforts to improve its relations with North Korea on a bipartisan basis, seems to be planning to establish an organization to discuss working-level affairs on improving Japanese-North Korean relations, an organization attended by the government, the Liberal Democratic Party [LDP], and the JSP, and to send an LDP delegation to North Korea around September to make efforts in earnest to realize "government-to-government dialogue." It was also reported that Japan might make a request to Chinese Premier Li Peng, who is visiting Japan, for China's help in improving Japanese-North Korean relations.

Japan's efforts to improve Japanese-North Korean relations have reached an "outspoken stage" as if an irrigation gate has been opened. As a result, even while not forgetting to use the diplomatic rhetoric "consultations with Korea," Japan unhesitatingly talks and acts as if it has the North Korean side's favorable response in mind. If we consider Japan's domestic political situation, Japan's traditional perception of the Korean peninsula, and the characteristics of Japan's diplomacy, which are well known to the international community, Japan's use of the North Korean card is not so surprising.

However, we would like to point out, first of all, that the method and speed of Japan's approach to North Korea are of a dangerous nature. When it revised the Passport Law, Japan said that it did so because this law was a "byproduct of the cold war period." However, if a way to bring an end to the cold war era disregards the importance of a balanced approach, this will not at all help promote peace and stability on the Korean peninsula, an area which is related to Japan's interests.

There is no question that Japan, which hopes to open a trade office or a liaison office in a stage prior to establishing diplomatic relations, is trying to hold government-to-government dialogue in an effort to open such an office which will eventually lead to establishing diplomatic relations with North Korea. Such an approach by Japan is of a different nature and dimension from approaches to Korea by the Soviet Union and China, which are trying to expand economic and cultural exchanges, without forming government-to-government relations.

No one denies the fact that Japan is an economic power. Japan has actual economic power uncomparable to that of the Soviet Union and China, power that can contribute to enhancing North Korea's. Second, we request that Japan be cautious of economic cooperation with North Korea, an issue that will be presented during their consultations for improving relations. This is because it was reported that North Korea requests a compensation of \$3 to 5 billion from Japan. Of course, negotiations will take place over the amount of money. However, if Japan's technology, material, and money, which will be brought into North Korea help North Korea enhance its war capabilities, this will exercise a serious influence upon the balance of power on the Korean peninsula. Unless North Korea revises such policies of North-South confrontation, the policies of the cold war era, as "liberation" and "revolution" and unless North Korea carries out domestic reforms for democratization just like East European countries have done, North Korea will very likely misuse any technology and capital from overseas in enhancing its combat capabilities.

Third, in approaching North Korea, Japan must not give the impression that it knuckles under hostage diplomacy, a form of international terrorism. Japan cannot deny the fact that the immediate purpose of Japan's efforts to improve relations with North Korea is to attain the release of the crew of Fujisan Maru, whom North Korea has detained for approximately 5 years. We are carefully watching Japan from this perspective.

Fourth, our "7 July declaration" should not result in only benefitting North Korea. A diplomatic declaration has many obstacles that it must overcome before it is put into practice. When a declaration overlooks the realism of diplomacy, this declaration will easily be caught in a trap.

Government Fears Nationwide May Day Strike
*SK1404070289 Seoul YONHAP in English 0641 GMT
14 Apr 89*

[Text] Seoul, April 14 (YONHAP)—The government, unconvinced by the denials of South Korea's unions, fears that a nationwide general strike will be launched around May 1 as labor disputes emerge as one of the most potent political problems this spring.

For a couple of weeks, rumors have proliferated that union activists are plotting a May Day strike in collaboration with dissident groups and radical students.

Labor disputes seem to be escalating, congealing into the largest collective action the nation has ever known. If the government's fears prove to be well founded, it could strike a critical blow not only against the already sagging economy but also the shaky and divided establishment.

Automakers have been forced to revise their output goals for this year and the Pohang Iron and Steel Company, a strategic industry, is bracing for strikes at subsidiaries supplying parts and maintenance.

The most recent example of collective action has broken out in the Changwon Industrial Complex, which houses 95 businesses.

Labor unrest in Southern Industrial City, where eight plants have been hit by strikes (three of them belonging to the Lucky-Goldstar group), is feared to spread to other companies.

Unions at 12 firms there have reported labor disputes while only nine firms in the complex have reached pay agreements.

Lucky-Goldstar considers the settlement of negotiations impossible because the trade unions are asking for a 52.3 percent pay raise, compared with an average of some 15 percent this year.

Group officials regard the demand as a pretext to take part in the May Day general strike.

The government, intent on preventing a potentially disastrous May Day strike by any means, is even considering suspending all inter-Korean dialogue lest North Korea capitalize on the labor disputes to turn the conference table into a propaganda arena.

The Labor Ministry and the Trade-Industry Ministry have set up task forces specializing in labor unrest and are encouraging employers to work out early agreements on pay raises.

The Korea Managers Association held special meetings this week to head off a general strike and to forge a united front against wage struggles.

The Labor Ministry warns that it will ask prosecutors for the heaviest possible penalties to be inflicted on anyone who breaks the Labor Law by, for example, going on strike before the end of the mandatory 10-to-15-day cooling-off period.

The ministry plans to consult with other ministries to curb strikes at key installations of the defense, motor, transport and mining industries.

While a full alert is being sounded by some quarters of government and employers, however, union leaders deny that they are planning a nationwide strike on May Day.

The Federation of Korean Trade Unions (FKTU) and the newly created National Council of Trade Unions (NCTU), rivals for control of the labor movement, say they have never even contemplated such a plan.

Reports of a May Day general strike are "groundless" and "exaggerated," say union leaders, intimating that the government is spreading rumors to justify its suppression of anti-government activities.

An FKTU official admitted, however, issuing a statement that said the federation would not hesitate to call a general strike, but said it was put out to "show our strong stance as wage negotiations near."

An official at NCTU, regarded as the more radical of the two labor groups, said, "we have little capability to plot a general strike even if we wished to do so given the small number of trade unions affiliated with our body."

Opposition leader Kim Tae-chung came out in support of the unions' argument Thursday.

"As far as I know, union leaders have no plan to call such a strike, although conflicts between management and labor are expected over wages this spring," Kim said.

He pledged to try to solve labor problems through talks with top politicians, including President No Tae-u.

Many see the union denials as hardly sincere, having to do with winning public opinion, especially among the higher classes that fear the tumult that labor unrest will surely unleash.

A subway strike in Seoul last month, led by radical unionists, was regarded as a failure because it didn't win support and sympathy of citizens.

But stock prices in Seoul posted their biggest one-day loss in history Wednesday and analysts say the economic uncertainty created by labor disputes was one of the leading factors in the precipitous decline.

Another sign for those concerned about a May Day strike is the improvement of the situation at the Ulsan Shipyard of Hyundai Heavy Industries.

At the shipyard, regarded as the natural base for a general strike, 96.8 percent of the workers punched in Thursday.

However, it is too early to say the May Day strike is unlikely since Korea is always ridden with fever in spring, according to analysts.

Union Officials Deny Strike

SK1404012089 Seoul THE KOREA TIMES in English
14 Apr 89 p 3

[Text] Both moderate and radical trade unions yesterday flatly denied the reports that they are planning a general strike nationwide on May 1.

Calling the reports "groundless" and "exaggerated," the two rival unions said they had never contemplated such a plan.

In an effort to curb widespread labor strife, the government Monday formed a special task force in the Trade-Industry Ministry.

The task force, headed by Assistant Trade-Industry Minister Yi Tong-hun, foresees the general strike next month.

The earlier statement by the Federation of Korean Trade Unions that it would not hesitate to call for a general strike merely showed its strong stance as wage negotiations near, said FKTU deputy secretary Yi Song-kyun.

Number of Foreign Bank Branches Increase

SK1404032689 Seoul YONHAP in English 0258 GMT
14 Apr 89

[Text] Seoul, April 14 (YONHAP)—Foreign banks, lured by the prospects of huge profits to be made from South Korea's rapid economic growth and increased current account surplus, are rushing into the Korean financial market, banking sources said Friday.

Foreign banks will open a dozen new branches here this year, lifting the total to more than 70, the sources said.

Six banks, including Citibank of the United States and banks from Japan and Europe, have applied for permission to establish a total of 10 offices this year.

The Royal Bank of Canada, National Australia Bank and a Jordanian bank will open branch offices in Seoul next month, bringing the number to 64, the sources said.

Banks from the United States and Japan account for 20 and 14 branches, respectively, while France accounts for seven, the United Kingdom for five, Canada and Singapore for three each, Hong Kong, west Germany and Australia for two each and India, Pakistan and Austria one each.

Foreign banks are also opening liaison offices in Seoul. The Philadelphia Bank and a Japanese credit bank established liaison offices this year, bringing the total to 23, the sources said.

The inroads being made by foreign banks are due to their optimistic view of the South Korean economy, which has a high growth rate and expanding current account surplus, they said.

Non-Japanese foreign banks here reported profits of 115.9 billion won (173 million U.S. dollars) in fiscal 1988, up 8.9 billion won from the previous year. The profits of Japanese banks, whose fiscal year ended in March, have not been estimated.

New Chairman of Joint Chiefs of Staff Appointed
SK1404005089 Seoul THE KOREA TIMES in English
14 Apr 89 p 3

[Text] A change-of-command ceremony for the chairman of the joint chiefs of staff of the ROK Armed Forces will be held on the parade ground of the Army Headquarters in Yongsan, Seoul at 11 a.m. today.

Gen. Chong Ho-kun, former commander of the ROK First Army, will take over the joint chiefs of staff chairman position from Gen. Choe Sae-chang at the ceremony.

The outgoing Chairman Gen. Choe retires from the Army.

The ROK-U.S. Combined Forces Command will also hold a change-of-command ceremony for deputy CFC commander on the Knight Field, Yong-san Garrison, Seoul at 1:20 p.m. today.

Gen. Na Chung-pae, ex-commander of the 9th Corps of the Army, will assume the deputy commander position of the ROK-U.S. CFC from Gen. Chong Chin-tae.

Gen. Chong retires from the Army.

Gen. Louis C. Menetrey, commander-in-chief of the ROK-U.S. CFC, will host the ceremony.

Kim Tae-chung Urges Dissidents To End Violence
SK1404003089 Seoul THE KOREA TIMES in English
14 Apr 89 p 2

[Text] Tonghae, Kangwon-to—In a rare move opposition leader Kim Tae-chung yesterday called upon dissident forces to forsake violence and radicalism in the course of promoting their cause.

Asserting that the majority of the people are now feeling uneasy with the political situation, Kim, president of the Party for Peace and Democracy [PPD], said, "It is partly because some dissidents as well as students and labor activists are resorting to violence and act as if they support North Korea."

Kim made the remarks in a press meeting over breakfast here. He came to this city on the eastern coast Wednesday to rally voters around PPD candidate Kim Sok-won who is one of the candidates running in the parliamentary reelection slated for today.

He also urged dissidents to reflect on whether or not they have "behaved themselves" in a way that the people frown upon because of their radical acts.

"I dare advise them that if they manifest their opposition to violence and radical behavior, the cause of their movement will pay off," Kim added.

The largest opposition party head maintained that the people's uneasiness comes mainly from schemes by ultra-rightists within the government against progressivism, making ill use of the Mun Ik-hwan case.

To discuss ways out from the difficulties besetting the nation, including serious labor disputes and issues of inter-Korean relations, Kim proposed that the three opposition leaders meet next week.

He also suggested a gathering between President No Tae-u and the three opposition leaders late this month.

Kim said, "Based on the outcome of the meetings, a special House sitting should be convened in early May to push for detailed measures aimed at liquidating the bad legacies of the Fifth Republic and completing democratization."

He added that parliamentary hearings to hear testimony by ex-presidents Chon Tu-hwan and Choe Kyu-ha have to be called.

Touching on the issue of Rev. Mun Ik-hwan, Kim noted that "the government has the right to investigate the case because he violated the laws."

"But Mun is over 70, admits what he has done and is not expected to flee and destroy evidence. Therefore, it is desirable that the government investigate him without physical detention," he said.

RDP Sued for Allegedly Bribing NDRP Candidate
SK1404003889 Seoul THE KOREA TIMES in English
14 Apr 89 p 2

[By staff reporter Sin Hak-nim]

[Text] An alleged bribery scandal involving two candidates for the parliamentary reelection in Tonghae, Kangwon-to has escalated into a serious political issue. The case is certain to affect the results of the voting today.

The minority opposition New Democratic Republican Party [NDRP] announced yesterday that its candidate Yi Hong-sop withdrew his candidacy Wednesday without prior consultation with party leaders "to support the Reunification Democratic Party [RDP] candidate Yi Kwan-hyong after taking a bribe of some 150 million won from the RDP."

Choe Kak-kyu, secretary general of the NDRP, displayed as evidence of the alleged buying-off a bunch of checks worth 500,000 won each during a press conference in Seoul yesterday.

The NDRP, led by Kim Chong-pil, filed accusations with the Seoul prosecution against RDP secretary general So Sok-chae, Rep. Kim Il-tong and Chang Yong-hwa who, it claimed, handed over the check to the NDRP candidate.

The minority opposition group also decided to bring charges against RDP president Kim Yong-sam, if he turns out to have been involved in the scandal.

According to the National Assembly Election Law, those who buy off a candidate to have him or her quit candidacy are subject to up to five years imprisonment or a fine of up to 2.5 million won.

A senior official of the Central Election Management Committee commented, "If evidence for the alleged bribery is secured, the committee will take resolute action in accordance with the law."

The non-governmental election watchdog has already lodged charges against all the five candidates and their leading campaign managers for illicit campaigning.

The NDRP made public a written statement by its disgraced candidate Yi Hong-sop in which he admitted the bribery.

According to the statement, Chang Yong-hwa, an RDP member, gave him a 50 million won check around 2 p.m. Monday at his home, and promised that he would be given 100 million won in addition after he gave up the race.

On Wednesday, Yi met with RDP secretary general So and Rep. Kim Il-tong, who asked him to declare his support for RDP candidate Yi Kwan-hyong.

Yi demanded 100 million won in return and the RDP secretary general promised to give him the money in Seoul next Monday.

However, the RDP yesterday denied the bribery allegation as "groundless," while the NDRP formed a fact-finding mission led by Rep. Pak Chong-sun, now practicing law.

So said, "No RDP member has solicited the NDRP candidate. He made the decision to withdraw voluntarily."

The RDP secretary general, who manages the party's electioneering, claimed that his party can not believe Yi's confession, claiming that Yi wrote the statement, "coerced by NDRP members in a state of being detained."

NDRP candidate Yi had said during a press conference in the face of the RDP secretary general and other senior members at the RDP campaign headquarters Wednesday that he was withdrawing his candidacy to prevent a candidate of the government party, Hong Hui-pyo, from winning the election and to ensure the victory for the RDP candidate, his alumnus in elementary school.

The RDP secretary general also claimed that Yi should be released, so that he can explain himself "under a free atmosphere."

NDRP Candidate Meets Press

SK1404004289 Seoul THE KOREA TIMES in English
14 Apr 89 p 2

[Text] "Because of poverty, I made a misjudgment," repented Yi Hong-sop yesterday, admitting that he had been bought off when he resigned as the candidate of the minority opposition New Democratic Republican Party [NDRP] in the parliamentary by-election in Tonghae city, Kangwon-to.

Meeting the press at NDRP headquarters in Seoul, Yi, 49, confessed that he was to receive 150 million won from the second largest opposition Reunification Democratic Party [RDP] in return for his resignation.

The sordid deal to quit the race just two days before the poll set for today has hit political circles with amplifying ripples of shock and, especially, caused voters' disgust.

He said that he was neither menaced nor cajoled by the NDRP to produce, against his will, a written confession implicating the RDP maneuvering.

The following are excerpts of questions and answers in the press meet:

Question: Can you swear to the truth of your written confession?

Answer: Certainly. I swear.

Q: What's your feeling now?

A: I've tried to live in earnest. We've lived on my wife's income...Because of destitution, I made a misjudgment. I am sorry. Tell the people.

Q: When did you receive the money?

A: I took (50 million won) from Chang Yong-hwa who visited my house at 11 a.m. Tuesday.

Q: They say that you were to get more than 150 million won.

A: I received a proposal that 50 million won would be given first and 100 million won would come after the poll.

Q: You said that RDP president Kim Yong-sam was aware of the deal. Is this true?

A: When I met RDP secretary general Rep. So Sok-chae at Mangsang beach Wednesday, I heard him say that president Kim had approved it.

Q: What made you make such a deal?

A: Public opinion in Mukho was that the opposition camps should field a single contender. My wife has made such calls for the umpteenth time. By all accounts, ruling party candidate Hong Hui-pyo is likely to win the election. I could not tolerate this. So, I made up my mind to carry the cross myself.

Q: Why did you take the money?

A: Frankly speaking, my wife earns the bread. Secretary general So and Rep. Kim Il-tong have promised to repay my debts.

Q: Why didn't you consult with the NDRP?

A: Only one year passed since I entered the political world and my friends and fellow alumni defected to Hong's camp. So, I came to make this terrible mistake.

Ministry Notes Penalties for Labor Law Violators
SK1404004689 Seoul THE KOREA TIMES in English
14 Apr 89 p 3

[Text] Workers will be punished when they go on strike before the end of the mandatory 10 to 15 days cooling-off period, the Labor Ministry said yesterday.

The ministry said it would ask prosecutors for the heaviest punishment for those who violate the Labor Law by such acts as breaking the cooling-off period, using violence, or occupying public facilities.

Managers, who illegally refuse collective bargaining or try to break up unions, will also be sternly dealt with, according to the ministry.

Instigating pro-management workers to clash with strikers or making "fraud" closure would be no longer tolerated, a ministry spokesman said.

"The government will also inspect work places at which managers are believed to be practicing 'unfair' labor management," he said. "Unfair" labor management means illegal activities by management side according to the Labor Law.

The ministry plans to consult with other ministries concerned to curb strikes at key centers in defense, motor, transport, and mining industries.

Enhancing better labor-management relationships, the ministry will recommend a labor chapter in a secondary school textbook. It also plans to increase labor courses at government-run vocational training institutes.

A public conference on the spring wage struggle or "Imtu" is due on April 17. About 100 workers and managers will be invited to the conference sponsored by the ministry.

According to statistics released by the ministry, only three out of 589 firms that started wage negotiations had reached agreements as of Monday.

Burma

Thai Deputy Foreign Minister Continues Visit

Offers Elections Expertise

BK1204004089 Bangkok THE NATION in English
12 Apr 89 pp 1, 2

[By Yindi Loetcharoenchok]

[Text] Rangoon—Thailand yesterday offered to share its experience in democracy with Burma by sending a senior official of the Interior Ministry to Rangoon to advise Burmese authorities on ways to organize elections.

Deputy Foreign Minister Praphat Limpaphan made the offer in his meeting with U Ba Htay, chairman of the Elections Commission which is entrusted with the job of holding Burma's first multi-party elections in 29 years.

Praphat, who arrived in Rangoon yesterday morning for a three-day visit, said Thailand would also send copies of its electoral and political party laws to Burma for the commission to study.

He said if the Burmese Foreign Ministry agreed, the Thai Government would send Yuwarat Kamonwet, a deputy director general of the Local Administration Department of the Interior Ministry, to Rangoon to hold talks with members of the Elections Commission. Yuwarat is in charge of organizing elections in Thailand.

A formal proposal to help Burma in organizing the elections would be made through the Burmese Foreign Ministry, said Praphat.

Praphat said the offer was primarily designed to help "our neighbour achieve democracy."

"We are not trying to interfere in Burma's internal affairs. We are only trying to help them organize an election along proper lines," Praphat said.

Praphat is considered the most senior Thai official to officially visit Burma after the bloody military coup last September that brought Gen Saw Maung to power. The three-day visit focuses on bilateral issues, particularly economic and trade cooperation.

He quoted U Ba Htay as reiterating that the parliamentary elections will be held either before or by May next year. "There will be no postponement," Praphat quoted him as saying.

Kopsak Chutikun, deputy director general of the Thai Foreign Ministry's Political Department, also quoted U Ba Htay as promising that elections would be "free and fair" because representatives of students and political parties would be allowed to monitor the balloting nationwide.

But the Burmese opposition charged that they have been harassed by the military in their campaign for free and fair elections.

The Elections Commission last month published a draft of election laws to test public reaction.

U Ba Htay was quoted as saying 230 political parties have registered for the elections in which 22 million of the 40 million Burmese population will be eligible to vote.

Praphat yesterday met Rear Adm Maung Maung Khin, minister for mines and energy, and Maj Gen Chit Swe, the forestry and fisheries minister to discuss cooperation in fishing, logging and energy.

Praphat was told that Burma would in the future grant logging concessions to Thai businessmen in areas where Burmese authorities have full control. Most of the logging concessions currently granted to Thailand are in rebel-held areas along their common border.

Chit Swe raised the possibility of allowing Thais to set up wood conversion plants inside Burma.

He also complained to Praphat about Thai fishermen's violations of fishing concessions. He said Thais were often found fishing outside the concessioned areas or using wrong types of fishing nets.

Chit Swe proposed that in the future fishing concessions would be granted in the form of package deal in which the concessionaries set up cold storage to process catches for direct export.

They also discussed a future plan to develop the basins of three border rivers in the south and north.

Praphat and his delegation are also scheduled to call on Gen Saw Maung, who serves as the country's prime minister, foreign minister and defence minister as well as chairman of the State Law and Order Restoration Council which seized power in September.

Meets With Saw Maung

BK1304011789 Bangkok THE NATION in English
13 Apr 89 pp 1, 2

[By Yindi Loetcharoenchok]

[Text] Rangoon—Burmese leader Gen Saw Maung yesterday described Thailand as its "true friend" and said that is why the country is being given preferential treatment in economic and trade cooperation.

Saw Maung indicated during his meeting with Deputy Foreign Minister Praphat Limpaphan that Rangoon is rewarding Thailand's non-interference policy by giving more fishing and logging concessions than those granted to any other country.

The Burmese leader, who came to power in a bloody military coup last September, was also quoted as predicting that no single political party would win the majority in the country's first multi-party elections scheduled for May next year.

"He said it is very likely that there would be a coalition government after the elections," said Kopsak Chutikun, deputy director general of the Foreign Ministry's Political Department, who is accompanying Praphat on his three-day visit to Burma.

Kopsak quoted Saw Maung as telling Praphat that he appreciated Thailand's "correct and appropriate attitude toward Burma."

Unlike many other countries, Thailand refrained from condemning the Saw Maung regime for the deaths of unarmed pro-democracy civilians during and after the military coup.

Saw Maung was quoted as saying that "some countries" had over-reacted by condemning and boycotting his regime.

He said a "superpower country" sent an aircraft carrier into Burmese waters at the height of Burma's political crisis, causing fears in Rangoon that the city would be attacked.

"During the crisis, we came to know who our true friends are," Saw Maung said.

Saw Maung told Praphat that two-thirds of fishing and logging concessions Burma has granted to foreign countries so far went to Thailand.

Saw Maung, who is prime minister, foreign minister and defence minister, expressed his regret at the damage and casualties caused to Thai villagers by stray shells fired by Burmese government forces battling ethnic minority guerrillas.

"It is not our intention to infringe upon even one single inch of Thai territory," he was quoted as saying.

He said Burmese forces would be more careful when battling rebels near the Thai border in the future.

A team of Burmese military leaders is scheduled to visit Thailand later this month. And Saw Maung said it would discuss with Thailand the formation of a border coordination committee through which Burmese officers would forewarn Thai officials of their military operations against the rebels.

Praphat, who is the most senior Thai official to officially visit Burma, yesterday signed an economic and trade agreement with Col David Abel, minister of planning, finance and trade.

Praphat later told reporters that Burmese authorities agreed to consider a proposal to build a bridge linking Mae Sot District of Tak in northern Thailand with Myawadi of Burma to promote border trade.

Saw Maung yesterday also thanked Praphat for his offer to send a senior Thai official to Rangoon to help advise the Elections Commission in organizing elections there.

Kopsak quoted Saw Maung as reaffirming that the elections would be held as scheduled and that the military regime would turn over power to the post-election government.

Meanwhile, Thai student activists in Bangkok criticized Praphat's Burma trip, saying it would imply recognition for the regime that has been condemned worldwide for human rights violations.

"It is a shame that the elected Thai Government has chosen to support a regime that has blood in its hands and detested worldwide," said Wilasini Mokcharoenphong, secretary general of the Thai Students Federation.

She told a news conference that instead of supporting the Saw Maung regime, the Thai Government should continue to help Burmese students seeking refuge on the Thai-Burmese border.

She said student representatives will tomorrow submit a note of protest at the Foreign Ministry.

Praphat-Led Delegation Departs

BK1304145189 Rangoon Domestic Service in Burmese 1330 GMT 13 Apr 89

[Excerpt] Visiting Thai delegation led by Mr Praphat Limpaphan, deputy foreign minister, left Rangoon this evening by special plane.

The guests were seen off at the Rangoon airport by U Ohn Gyaw, director general, Political Department, Ministry of Foreign Affairs; Mr Thongchan Chotikasathian, Thai ambassador to Burma; U Nyunt Swe, Burmese ambassador to Thailand; U Shwe Zin, director general, Protocol Department, Ministry of Foreign Affairs; U Tin Tun, director general, Energy Planning Department, Ministry of Energy; U Soe Thwin, director general, Foreign Economic Relations Department, Ministry of Planning and Finance; U Maung Maung Bo, director general, Planning and Statistics Department, Ministry of Agriculture and Forests, and U Maung Maung Kyaw, director general of the Department of Trade, Ministry of Trade. [passage omitted]

Student Leader Min Ko Naing Gives Speech

BK0704084089 Delhi External Service in Burmese 1115 GMT 6 Apr 89

[Speech delivered by student leader Min Ko Naing to students "in February"—recorded; place not given]

[Text] Our All Burma Federation of Student Unions [ABFSU] does not recognize the group of military dictators who seized power in our motherland as a government. The only government we will recognize is a people's government elected by the people and formed with the people's participation. The armed forces should be made up of public servants who are responsible for defense; other defense bodies, workers, peasants, intellectuals and technocrats should carry out their assigned duties in their respective jobs according to their expertise in national

construction. The state power and the destiny of the state should lie in the hands of the people. It is the people who should determine the destiny of the state.

The mass uprising occurred because of the infiltration and overdominance of the defense organizations—whose sole duty is their defense task—in the political arena. Avoiding the issue without seeking and solving the real cause of the mass uprising will not enable future generations to escape from this cycle. Since the military coup 26 years ago, the military has monopolized and dominated the administration, politics, management, departments and corporations without regard for the people's will. Intellectuals and technocrats, who should have been employed according to their special skills, were dominated by the trouser-wearing class [those in military uniform]. Youths and students, intellectuals and technocrats, who should have been playing a key role in national construction, were ignored, while military dominance was established with the sole objective of entrenching the military in power and strengthening their administrative system.

We have always respected the original objectives of the Defense Forces since their inception. We were sad to see how the Defense Forces—founded and nurtured by General Aung San—were destroyed and how they lost prestige and the people's trust and support. Who is responsible for dividing the Defense Forces, which has the motto: We will not be divided by anybody? The person responsible is the same man who said that the Army does not shoot into the air, but it shoots straight. He created the discord between the Defense Forces and the people. We cannot deny that there are members of the Defense Forces who truly love the Defense Forces, want to make the prestige of the Defense Forces shine and who are capable of being close to the people and understand the life of the people although they believe in following orders. At the same time, there is a group of military dictators who want to use the Defense Forces like a pocket army for their own interests. This group of military dictators are creating division among those members of the Defense Forces who value the people and who want to restore the prestige of the Defense Forces.

At this point, we would like to state our stand on the Defense Forces. We have the responsibilities to carry out changes in all fields so as to pull up the country. We want a new-style Defense Forces which cherish, value, and safeguard democracy and which pay due respect to the wishes of the people. We only want Defense Forces which serve the people well.

Our current problems came about because we allowed the ruling party to do what it wanted and that party in power was monopolized by military dictators who used the Defense Forces as an instrument of intimidation. The dictators controlled the three main sources of power—judicial, legislative, and administrative—without allowing freedom of work and the right to scrutiny. In order to remove these undesirable traits from Burma, the military must be separated from politics and the military must be prevented from interfering in politics.

Today, we need to change such condescending attitudes such as: what others do is all wrong; I am the only one who is right; nobody loves the country as much as we do; things are only done right if we do them.

It is very heartening how we youths are participating in politics with such keen interest. In building a new country, it is necessary to have the strength and awareness of the active and free-thinking youth and to nurture them so as to ensure future political generations. It is also the responsibility of our student youths to ensure that the Defense Forces flourish forever.

It is necessary for the the Defense Forces, which are indispensable for the country, to reform themselves so as to once more gain the faith of the country and the faith and respect of students and youths.

At present, who is creating discord between the people and the Defense Forces? Peasants in rural areas throughout the country are being terrorized and tortured under various pretexts such as inability to fulfill the paddy quota. Peasants the age of our parents are being slapped and asked to stay out in the sun. Their land is being forcefully confiscated. Who is giving orders to the Army to abuse the peasants, who are our benefactors?

The Defense Forces have claimed to be carrying out the four major duties and are requesting the people to assist them in this task. At this point, I would like to say that we, the people of Burma, once loved the soldiers who won our sympathy and who were looked upon as precious sons of the people. We were very proud of them—they were our heroes. Why then has it reached the stage where the Defense Forces have to ask the people for help? The answer is clear.

The Defense Forces have written their own history incorrectly. During the 1988 mass uprising and mass movement for democracy, when there were many student deaths at the hands of the security units, the students and people looked to the Defense Forces. During the mass movement against the one-party Burma Socialist Program Party [BSPP], the people dreamed that the Defense Forces would stand on the side of the people. Just listen to the slogans shouted by the students and people during the movement for democracy. The students and people shouted: The People's Defense Forces are our Defense Forces; A people's soldier is our soldier. They showed their hope and faith with fervor. Nobody can forget it. We viewed the Defense Forces as separate from the BSPP and waited for the Defense Forces with hope. However, while the people were clearly winning over the BSPP, the Defense Forces took a historic step by seizing state power. The people of Burma can decide whether the Defense Forces will give the genuine democracy demanded by the people. Why? Because the people have truth on their side.

Did the Defense Forces intervene to give democracy to the people or did it stage a sham coup to protect the BSPP? Those responsible know well. This military coup

was unique in Burma's history. In previous military coups, members of the government and top leaders in power were detained; this time no action was taken against the BSPP leaders whose offenses had been pointed out by the people and the top BSPP leader was even described as a parent to those who staged the coup. For these reasons alone it is not unusual that the people should suspect that the Defense Forces acted as an instrument of the BSPP.

When the people and public servants, who opposed the BSPP, were asked how many times they staged strikes and were told to sign pledges, they could no longer view the Defense Forces as separate from the BSPP. The military clique which staged the coup also suppressed and tried to divide us, the students, through various means. In crushing the students at the border, they nurtured some student returnees as their henchmen and made them give statements at news conferences which do not represent the whole body of student opinion. Under current circumstances, as students, we cannot say that we have trust in the elections. Only if the military clique which seized power acts as an interim government could there be trust in the elections. However, they are not acting like an interim government. That is why our All Burma Federation of Students Union sees no reason to have any faith in the elections. I would like to state clearly that the election is not our final objective.

Furthermore, the military clique which seized power has tried to divide the students inside the country with its promise of the formation of the student union. The promised student union is to be established following the unilateral acknowledgement of successful talks between the students and the government. If the students agree to such a student union, it would imply that we students recognize the military dictators as a government. The clique which seized power has been wanting to show such a form of recognition to the world, and we must now allow such a development to happen.

In point of fact, our student union emerged during the struggle for democracy. On 28 August 1988 a student conference was held and the student union was established. That body was recognized by the people and the world. Therefore, we feel it is the student union par excellence. A student union can neither be established with the recognition of the military dictators nor could it be given as a gift or a bribe. A huge sacrifice was made just for the term student union—something which was unknown for 26 years in Burmese politics—to reemerge and have the right to fly our fighting peacock flag. The sacrifice was made with the lives and blood of students and martyrs. Hence, our student union shall not kneel before the military dictators. There is no such tradition. The student union has always been in the vanguard of Burma's major political changes. We shall not place the student union and its fighting peacock flag under the boots of the oppressive military dictators.

We must be loyal toward the student union. Therefore, I hereby categorically state that the All Burma Federation of Students Union is the student union which is opposing and bravely resisting the military clique, which seized power. We will not bow our head. Student unions in divisions and states together with the ABFSU will continue to wage the struggle to liberate the motherland and to win democracy and human rights by organizing the local people and the forces in favor of democracy.

Brunei, Malaysia & Singapore

Malaysia

DPRK Deputy Foreign Minister Arrives

BK1404103189 Kuala Lumpur BERNAMA in English
0427 GMT 14 Apr 89

[Text] Kuala Lumpur, April 14 (BERNAMA)—North Korean Vice Foreign Affairs Minister Choe Su-hon arrives here Friday [14 April] to begin a four-day official visit to Malaysia.

Choe would be accompanied by two ministry officials, a Foreign Ministry spokesman said.

He is scheduled to call on Deputy Foreign Minister Dr Abdullah Fadzil Che Wan [words indistinct]. On Sunday, he will make a day's visit to the Malaysian southern state of Melaka.

On Monday, Choe is scheduled to meet Foreign Minister Abu Hassan Omar at the Foreign Ministry.

112 Illegal Vietnamese Immigrants Land in Dungun

BK1304082989 Kuala Lumpur BERNAMA in English
0304 GMT 13 Apr 89

[Text] Kuala Terengganu, April 13 (OANA/BERNAMA)—One hundred and twelve Vietnamese illegal immigrants in two boats landed in Dungun District in the east coast state of Terengganu Wednesday [12 April].

A senior police officer said Thursday a boat with 52 Vietnamese landed at the Telok beach at about 1.30 am while another with 60 illegal immigrants landed at Seberang Pintasan about 12 hours later.

Establishment of Mission in Afghanistan Planned

BK1304083989 Kuala Lumpur International Service
in English 0800 GMT 13 Apr 89

[Text] Malaysia will set up a mission in Afghanistan after considering the outcome of the Afghan interim government's meeting which is expected to be held soon. Foreign Minister Datuk Abu Hassan Omar said this to newsmen in Kuala Lumpur this morning.

Malaysia decided to recognize the interim government in Afghanistan yesterday.

Singapore

Opposition MP's Case Adjourned 'Abruptly'

BK1304152289 Hong Kong AFP in English 1359 GMT
13 Apr 89

[Text] Singapore, April 13 (AFP)—The trial of opposition MP Chiam See Tong on charges of printing a party newspaper without a permit was adjourned abruptly Thursday when a magistrate ordered that a deputy public prosecutor (DPP) reply to defence submissions that there was no case to answer.

Mr. Chiam argued that the paper had been published only sporadically and not at regular intervals and thus did not come under the Newspaper and Printing Presses Act (NPPA) under which he was charged.

Magistrate Vincent Yeo, adjourning the case for further mention on April 27, said: "The court orders that a DPP reply to the submissions made by the defence."

The prosecution had been conducted Wednesday and Thursday by a lower-level police prosecutor, Surjit Singh.

Mr. Chiam was charged with publishing the "DEMOCRAT SUPPLEMENT," organ of his Singapore Democratic Party (SDP), without a permit twice: on February 14, 1988, and between November 30 and December 22, 1987.

The offence carries a maximum penalty of 2,500 U.S. dollars' fine, a jail term of up to two years, or both.

Under Singapore's election laws, he could be disqualified from parliament for five years if he is fined more than 1,000 U.S. dollars or jailed for more than one year.

Mr. Chiam, 54, assisted by Ling How Doong, submitted Thursday that under the NPPA a publication was deemed to be a newspaper requiring a permit if it was published at regular intervals.

"In the case of the 'DEMOCRAT SUPPLEMENT' there were only two issues and the time lapse between the two issues does not fall within the definition of regular intervals.

"There is no evidence before the court at what regular intervals the 'DEMOCRAT SUPPLEMENT' was published," Mr. Chiam said, submitting that the prosecution had failed to make its case and that no defence should be called.

DPP Jennifer Marie, who hurriedly turned up in court after a half-hour adjournment, told the magistrate that she needed time to study the case as she was not aware of the issues.

Mr. Yeo then adjourned the case to April 27 to be mentioned in another court and for new dates to be set for the resumed hearing.

Mr. Chiam was the only opposition candidate elected in the general ballot last September, in which the ruling Peoples Action Party won 80 seats.

The only other opposition MP elected to Parliament in independent Singapore, Benjamin Jeyaretnam, lost his seat in 1986 on conviction of irregularities in party finances.

Cambodia

Chea Sim Closes Party Cadres Conference

BK1404052189 Phnom Penh Domestic Service
in Cambodian 1300 GMT 12 Apr 89

[Text] A grand ceremony was held at 1400 on 12 April at the Basak Theater to close the second national conference of party cadres which took place successfully over the past 6 1/2 days.

The ceremony was held in the presence of Comrade Heng Samrin, general secretary of the party Central Committee and chairman of the Council of State; Comrade Chea Sim, member of the party Central Committee Political Bureau and chairman of the National Assembly and of the National Council of the Kampuchean United Front for National Construction and Defense [KUFNCD]; Comrade Hun Sen, member of the party Central Committee Political Bureau, chairman of the Council of Ministers, and minister of foreign affairs; Comrade Say Phuthang, member of the party Central Committee and chairman of the party's Central Control Commission; Comrade General Bou Thang, member of the party Central Committee Political Bureau and vice chairman of the Council of Ministers; Comrade Chea Soth, member of the party Central Committee Political Bureau and vice chairman of the Council of Ministers; Comrade Mrs Men Sam-an, member of the party Central Committee Political Bureau and chairman of the Central Organization Commission; Comrade Mat Ly, member of the party Central Committee Political Bureau and chairman of the Kampuchean Federation of Trade Unions; Comrade Ney Pena, member of the party Central Committee Political Bureau and chairman of the Central Propaganda and Education Commission; Comrade Nguon Nhel, member of the party Central Committee Political Bureau and secretary of the Phnom Penh Municipal Party Committee; Comrade Say Chhum, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and minister of agriculture; and Comrade Sar Kheng, member of the party Central Committee Political Bureau and chief of cabinet of the party Central Committee.

Also attending the ceremony were 250 participants of the conference, including 65 party Central Committee members; 105 ministers, deputy ministers, and leaders of institutions of equivalent levels; 106 provincial and municipal secretaries, deputy secretaries, chairmen, vice chairmen, and department-level chiefs; 41 representatives from the Armed Forces; 18 department-level representatives; and 21 district secretaries. [all numbers as heard] Also on hand were ambassadors and members of the diplomatic corps of various friendly countries accredited to Cambodia and many national and international journalists.

Comrade Chea Sim made a closing speech as follows:

[Begin recording] During 6 1/2 days of hard work, the second national conference of party cadres proceeded in conformity with democratic principles and the leading nature of our party and made decisions on various important issues concerning the historic tasks of our Cambodian revolution in this new stage. The conference thoroughly studied the situation in all fields since the 7 January victory, by unanimously assessing and profoundly noting strengths and weaknesses and their causes as well as the experiences of the Cambodian revolution over the past 10 years.

On this basis, the conference redefined the revolutionary stages in Cambodia and put forward policy for the new stage aiming at perfecting and realizing the fifth party congress line which embodies our party's lenient and broad policy which conforms with the situation in Cambodia and the common trend in the world at present—that is, to continue implementing the revolutionary, national, democratic, and popular tasks for peace, independence, and a reasonable and fair national reconciliation in the beautiful land of Angkor and for the happiness of our people.

Besides the common principles, the conference adopted a number of important and concrete decisions, including the policy toward the management and use of land, the policy toward the peasantry, and the policy toward farm exploitation based on mutual assistance methods which enable Cambodian citizens to enjoy full rights in occupying and using land provided by the state for housing and exploitation and to have the right to inherit it so that the peasants can become the true master of their own land, of their production work, and of labor means and equipment, as well as the right to live and work through a mutual assistance system or any other systems [words indistinct] of the Cambodian peasantry aiming at contributing to expanding production, improving living standards, and rapidly developing the rural areas; the policy toward small industry and handicrafts which constitutes the broadening of activities of the five economic components, including the private and joint state-private sectors [words indistinct] aimed at creating sources supplying goods and services for the nation; and the policy toward public transport run by the private sector aimed at encouraging the private economic component to grow both inside and outside the country in overland, river, and maritime trade transport, thereby contributing to meeting the needs of Cambodia.

The conference selected 21 comrades to supplement the party Central Committee and 4 other Political Bureau members by electing them from among the representatives of a number of important provincial and municipal institutions, thus contributing to enhancing the leading and fighting strength of the party Central Committee and developing the uninterrupted leading character of the party and its nature of succeeding in the leadership for the revolution as well as turning it into a core for the force of national union in the struggle to fulfill its political tasks in the new stage of the revolution.

The brilliant success of the conference is a success of the rapid growth of the Cambodian forces themselves in this stage in which they must take charge of their own revolutionary cause themselves. In the spirit of self-reliance of our cadres and people, according to the slogan "dare to think, dare to do, and dare to be responsible for the destiny of the motherland and people," and coupled with the legitimate sense of national pride, [words indistinct] and hope full of optimism of our nation which must be constantly nurtured so that our revolutionary struggle can reach its ultimate goal. The success of the conference constitutes a part of the common victory of the revolution which cannot be separated from the sincere assistance of the various fraternal parties, the revolutionary movements, progressive movements, international organizations, and progressive people the world over to the struggle of the Cambodian people.

The conference expresses thanks to the Vietnamese party and people and the Lao party and people who have always sided with the Cambodian party and people with a high sense of internationalism for the cause of the Cambodian people's rebirth and the survival and perpetuity of the Cambodian revolution as well as the revolution of the three Indochinese countries.

We would like to thank the parties, governments, and peoples of the socialist countries, especially the Soviet Union, for supporting and assisting the Cambodian people's struggle. We also thank all brothers and friends near and far and all comrades and friends of progressive parties, governments, and peoples, academics, lawyers, and journalists in the world who have expressed sympathy with Cambodia and contributed to the search for a political solution to the Cambodian problem. We thank all Cambodian combatants, workers, peasants, and compatriots both at home and abroad who have contributed to the success of the conference.

Dear comrades and friends; dear conference participants: As proudly concluded by the conference, the successes won in the past are immense, but we still have a number of weaknesses. The struggle to implement all tasks at the national, democratic, and people's revolutionary stage and at a time when the Cambodian forces themselves must take full charge of their own revolutionary cause after the Vietnamese volunteer troops are withdrawn from Cambodia by the end of September 1989 now becomes heavier and more complex than ever. At the same time, there may be more obstacles and difficulties both objectively and subjectively speaking. Our enemies continue to refuse to give up their strategic maneuver to topple our new regime. Therefore, the struggle at the new stage of the revolution continues to be arduous, complex, and resolute, requiring that more and greater efforts and sacrifices be made by the whole party, people, and Armed Forces, especially our cadres and party members. In order to win final victory, we must keep in mind that the whole party must constantly grasp all the lessons and experiences gained over the past 10 years so as to be the springboard for the combined forces of the entire

nation to advance toward achieving broad unity and successfully implementing the resolutions of the second national conference of party cadres.

All levels, sectors, and party, administrative, and social organizations must strive to deepen and tighten their grasp of the line and policy, especially the principles and broad policy adopted by the conference, and to diligently carry out their respective tasks, taking into consideration all the [words indistinct] laws, practices, and norms aiming at effectively realizing them from the outset of the organized implementation. We firmly believe that advancing along the trail blazed by the fifth party congress on the basis of a wisely and creatively organized implementation, together with the resolutions of the second national conference of party cadres, and thanks to the great force of broad national solidarity among the committees at all levels, our glorious revolutionary cause will certainly achieve final victory, leading the land and people of the beautiful motherland of Angkor toward genuine peace and happiness.

Long live the Kampuchean People's Revolutionary Party [KPRP]!

Long live world peace!

Everything for the independence and peace of the motherland and for the happiness of the people! [applause]

In an atmosphere permeated with joy and pride at the brilliant outcome of our work over the past few days, on behalf of the presidium, I would like to wish all conference participants and families the best of health and happiness on the occasion of the new Year of the Snake. May you realize new success in your revolutionary tasks, especially success from the first day of implementing the resolutions of our second national conference of party cadres. I declare this second conference closed. [applause] [end recording]

The conference participants then took leave, thereby closing the meeting with firm confidence in the correct and wise leadership of the KPRP.

Hun Sen Views Constitutional Changes

BK1404003589 Bangkok BANGKOK POST in English
14 Apr 89 p 5

[By Jacques Bekaert in Phnom Penh]

[Text] An extraordinary session of the National Assembly will take place on April 28 and 29 to examine and eventually approve some changes in the Constitution, Phnom Penh Premier Hun Sen told the BANGKOK POST.

Proposals for changes in the Constitution were recommended by the newly-formed Commission for Amendment to the Constitution.

Presided by chairman of the National Assembly and Politburo member Chea Sim, the commission includes personalities from previous noncommunist regimes, like In Tam, former governor of Kompeng Cham and Takeo Provinces

under Prince Norodom Sihanouk, and a prime minister under Lon Nol. In Tam was also the first commander in chief of the Sihanoukist Army, from 1981 to 1984.

Another member of the commission is one of Prince Sihanouk's ex chef de Cabinet, Pong Pen Cheng, who arrived in Kampuchea with his wife a few weeks ago.

A spectacular economic, social and political restructuring is presently taking place in Kampuchea.

During the recent National Conference of Cadres, which took place in Phnom Penh from April 5 to 12, Hun Sen suggested changes in the name, flag and national anthem of the present regime.

The commission too, is expected to recommend such changes, since, as one source said, the label "people's republic" is not very popular because it reminds people of a communist regime.

During the Cadres' conference, Hun Sen insisted on the importance of his meeting with Prince Sihanouk on May 2 in Jakarta.

Many delegates, one inside source said, were reluctant to make further compromises toward Prince Sihanouk and the resistance.

Many participants to the conference also believe that the present regime, which they insist is no longer a communist regime, will from now on enjoy a larger popular support and could very well survive without a political settlement involving the four Kampuchean factions.

But Hun Sen claims the policy of National Reconciliation is important because it will contribute to the well-being of the population, and said he was both surprised and encouraged by recent declarations made by Prince Sihanouk to the BBC in Peking regarding a possible breakthrough in Jakarta.

"There is a great similarity between the social and economic structures of the Cambodia of Prince Sihanouk and today's Kampuchea," Hun Sen said.

1988 State Income Surpassed Plan by 10 Percent

BK1404053089 Phnom Penh SPK in English 1131 GMT
13 Apr 89

[Text] Phnom Penh SPK April 13—Last year the state income surpassed the plan by 10 percent, says a report issued by the PRK [People's Republic of Kampuchea] Ministry of Finance.

Income came from agriculture, industrial production, rubber exploitation, transportation, trading and the payment of tax and customs duties topped the yearly target by 25 percent, and the income earned from the export and import through the Kampexim Corporation and from the humanitarian aid attained 86 percent of the plan. [sentence as received]

Agricultural production's income was increased by more than twofold over the annual plan while the country's industrial factories and enterprises exceeded the yearly income quota by 20 percent.

The Ministry of Posts, Transport and Communications overfulfilled its income plan by 33 percent. Besides, the income earned by the Ministry of Trade was up by 70 percent over the plan, and the payment of taxes and customs duties reached 136 percent.

Income netted from farm tenancy to peasants achieved 99 percent of the plan.

This year, the state yearly income is expected to increase by 11.30 percent over last year with the export-import duties up by 32.55 percent.

Prince Sihanouk Sends New Year Message
BK1304115589 (Clandestine) Voice of the Khmer in Cambodian 2300 GMT 12 Apr 89

["Special Message from Samdech Preah Norodom Sihanouk, president of the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia, to Combatants of the Sihanoukist National Army"; date not given—recorded]

[Text] I, Norodom Sihanouk, samdech euv, would like to send this special message to the Sihanoukist National Army ANS [preceding word in French], and to my much-missed children. I would like to send this message to you all, children, and outstanding and valiant members of our ANS. I am not reading this message from a well-written script because I have been very busy in the diplomatic and political fields and in my duties, and in the task in which all of us should strive, to solve the Cambodian problem. Therefore, this message is addressed to you in a manner not appropriate to our literary style. It is addressed to you in plain language and to everyone who are members of this same, big family.

First of all, I would like to say that I am very proud of and am elated with the ANS with Prince Norodom Ranariddh as commander in chief [preceding title in French]. All of you, from generals to privates, combatants in all units, down to youths who are resistance fighters of the ANS, have made all kinds of sacrifices to serve the nation and the motherland during the past 10 years of the war in our country due to the aggression and occupation by the Vietnamese who want to annex our territory. We should oppose the Vietnamese and prevent them from annexing our land. We should liberate our nation and rebuild an independent, neutral, nonaligned, pacifist, and cooperative Cambodia with territorial integrity, including the islands we possessed before the Lon Nol-Sirikmatak coup d'etat, that is from 1969 to the beginning of 1970.

We are struggling against the Vietnamese enemy to liberate our land and to win 100 percent independence for our motherland like it was in the time when Samdech Euv was head of state in Phnom Penh. We should do

whatever we can to get foreigners near and far to respect our land and sea borders, like during the time when you, our nation and people enjoyed peace, happiness, and honor as an equal of superpowers and independent and sovereign countries the world over. This is the meaning of your struggle and sacrifice.

Beloved and trusted children: I would like to tell you again that I am very proud of and am elated with all of you at all levels under the courageous and clear-sighted leadership of Prince Norodom Ranariddh. You have made all kinds of sacrifices without any thoughts of your own interests and those of your family to serve the nation, fight against the Vietnamese enemy, defend and protect people in our country, and to rebuild an independent and neutral Cambodia with its territorial sovereignty. Thousands of you have died in this decade-long war in Cambodia. I and my wife, would like to bow in respect, with regret, and with great admiration for the souls of the children who have died on the battlefield as noble patriots, as the ones with courage, and as heroes who were willing to give their lives for the survival of the nation and motherland. They chose to give their lives rather than to let their beloved motherland die, to let Buddhism perish, to let independent Cambodia die, and to lose our territory. Our ANS and its members would rather die. This is the thing which has made me very satisfied and very proud. I am very proud of your noble behavior. Those who have died, may they know heaven, and may they be happy in the afterworld. I would like to pay respects to our male and female combatants, who have been wounded and disabled. These children are the most outstanding heroes of our Cambodian nationalist resistance movement [preceding four words in French]. I would like to pay respect to this, and so would your mother, my wife.

I wish you happiness in your life and longevity so that you can see the result of all the sacrifices, that is to see our Cambodia enjoying again in the future full independence with territorial integrity. I and my wife would like to convey most affectionate sentiments to all of you, from Prince Norodom Ranariddh and family down to generals and their families, colonels, lieutenant-colonels, majors, captains, lieutenants, sublieutenants, junior officers, and all combatants of the ANS. I would like to express most profound thanks to you all, children, for showing the truth under the leadership of Prince Norodom Ranariddh and all the ANS officers, including General King Men who lost his life on the battlefield as a good example. The world, the international community, and friendly and unfriendly countries have clearly witnessed the fact that our ANS is not a weak link [preceding three words in French], a low and weak movement compared to others. On the contrary, ours is a correct and clean movement with clean heroism and patriotism, with respect for our people, able to defend and protect the people, and able to fight the Vietnamese enemy despite the fact that the Vietnamese Army is 100 times bigger and stronger than we are. We have dealt the Vietnamese Army successive blows.

Our ANS has undergone great changes. From the start when we had only 3,000 men, we increased to 5,000; and from 5,000 to 10,000. And now we have over 21,000

men, over 21,000 combatants [preceding three words in French]. They are armed, thanks to the generosity of some great friends who have provided us firm assistance.

Our ANS currently has over 21,000 men. It has become an army which has won admiration and is shown respect by people and by great friendly countries. Prince Norodom Ranariddh has been well received. Recently, for example, President Bush of the United States has shown how much consideration he gives to Prince Ranariddh and our ANS. Our great friend China also considers us well, and so do many other countries, such as the Republic of Singapore, which has provided great support and assistance to our ANS. This is the result which has very much moved me. It has made me very proud of the value shown by our ANS and all its members at all levels and in all branches.

For the past few months of this year, many of you, among the 21,000 members, have gone into the country to fight the Vietnamese enemy on the battlefield. It was the same in 1988. You have brought great victories to our ANS. You have been effective in liberating the nation inside the country. You have dealt shameful blows to the Vietnamese enemies and caused them to lose many soldiers and much materiel. Increasing numbers of you, children, have gone into many provinces in our Cambodia, our motherland. You have established cordial ties with my children who are civilians and villagers in our country. I would like to express my admiration for those children, male and female members of the ANS. I also would like to congratulate you for complying with my request, that is not to forget the unfortunate and miserable life of our people and villagers inside the country. These people, also my children, are very much comforted by the protection of our ANS. They have established cordial relations with us. Those living in villages have provided all kinds of assistance to the ANS, despite their poverty and shortages. They strive to supply our ANS with material, food, and fruits without any thought of getting any benefit apart from assisting our ANS to liberate the nation from the grip of the Vietnamese aggressors. The children in the ANS have not forgotten to take doctors, medicine, and clothing from me and from Prince Ranariddh to our poor people in the country who badly need some of this material to sustain their lives. We have not been able to provide enough assistance because our ANS is also short. However, what you, children in the ANS are doing, that is sharing with our compatriots and the clergy in rural areas in our country, is very good. Please carry on this effort. If you receive humanitarian assistance from generous countries, please continue this noble activity in accordance with our Buddhist ideals, that is sharing with our poor people inside the country. We share what we have with our families and with those who are poor in our country and who have suffered at the hands of the Khmer Rouge-Pol Pot and are currently suffering through the oppression of the army and administration of the Vietnamese colonialists, who are our arch enemies and are very bad.

The Vietnamese have been maltreating us since the war with the Khmer Rouge in 1978. The Hun Sen-Heng Samrin regime also collaborated with Vietnam to sell the

nation and its independence, territorial integrity, and resources to Vietnam, the master of the People's Republic of Kampuchea [PRK]. These people are also guilty of great crimes.

However, we are willing to do whatever we can to achieve reconciliation among Cambodians and to rally Cambodians from all groups, sides, and parties and use them to build the nation in the future once we achieve 100 percent independence for the nation and motherland. For this reason, we will ignore the crimes of traitors in the Hun Sen-Heng Samrin group as long as they agree to go along with my proposal, namely the five-point plan for solving the Cambodian problem.

There are some groups, some units of the Heng Samrin-Hun Sen group which possess a patriotic conscience. Their awakened spirit has led to the good cooperation, which is improving, between our ANS and some groups of the Heng Samrin-Hun Sen forces. This does not mean that Hun Sen and Heng Samrin have allowed their units to contact our ANS but it is these groups' patriotic conscience which has turned them to assist our ANS and secretly cooperate with us to fight and destroy the Vietnamese enemies and colonialists in the near future. This is very good. I would like to call on the children in the ANS, who have the possibility and the chance, to strengthen the relations of cooperation, friendship, solidarity, and fraternity with those Heng Samrin-Hun Sen groups which have awakened and realized that they are Cambodians and who have made a distinction between Cambodian interests and Vietnamese interests. These interests are diametrically opposed. The communist Heng Samrin-Hun Sen party is still ignorant in its misunderstanding that Cambodian and Vietnamese interests are combined together. It uses the Pol Pot pretext to continue serving Vietnam's interests and ruling Cambodia with Vietnam. It has not given any thought whatsoever to the independence and honor of the Cambodian nation.

Some foreigners, governments, and some major newspapers of the Western world have currently changed their attitude to wanting to embrace Vietnam's colonialism and the PRK of Hun Sen-Heng Samrin. This poses the greatest danger to our nation, which is struggling to liberate itself, now that there are many foreigners, political circles, and governments which want to obliterate the good future of our nation. They are doing what they can to make us remain Vietnam's slaves all our lives. This is a new danger to our nation and our ANS should strive to make our friends realize their duty as peace-, independence-, freedom-, and justice-loving people. If they really love peace, independence, freedom, and justice, they should not embrace the Hun Sen-Heng Samrin regime and the so-called SRV, which is hell. These people want to cause constant misery and disgrace to our Cambodia in the eyes of the world and want us to be Vietnam's slaves till the end of the world. My children, we cannot accept this. This is why we should fight. We do not need to love the Khmer Rouge. However, if we do not fight within this tripartite framework, it is impossible because we need to have strength and unity among

the three parties to fight the Vietnamese enemies until they agree to withdraw all their troops in the nearest future from our sacred motherland.

Children, noble and heroic members of the glorious ANS: I and my wife would like to wish all of you and your families longevity, good friendships, health, energy, and happiness. May all of you score greater victories now and in the future to contribute significantly to solving the Cambodian problem and to liberating our Cambodian nation and motherland so that it again enjoys 100 percent territorial integrity, independence, and sovereignty like in the Sangkum Reas Niyum [name of Sihanouk's political party in the 1960's] era when our Cambodia was a kingdom between 1953 and 1969.

On the development of our Cambodian situation, I have daily contacts in Beijing with prime ministers, foreign ministers, and ambassadors of various countries who have surrounded me in great numbers to discuss and talk about our Cambodian problem. This has become the first priority problem in the world. Therefore, it can be said that we are in a way fortunate. On the one hand, our country has greatly suffered because of the war of the Vietnamese aggressors; but on the other, everyone is paying attention to our problem; everyone wants to solve the problem in accordance with our desire. They all want to assist us. They all pay attention to the Cambodian problem. Contrary to what some people thought—that the Cambodian problem might be forgotten—people have not forgotten; on the contrary the Cambodian problem has been considered the world's number one problem among the world's major problems. This is in a way fortunate for us that people have not forgotten about Cambodia. For this reason, all giant and superpowers are keeping in touch with one another to solve this problem. This is good.

But as I said earlier, we should be vigilant against people such as Nguyen Co Thach. Major personalities from some great countries have told me in Beijing during their visit and talks with me that Vietnam is very cunning. However, among these cunning Vietnamese, the most cunning is Nguyen Co Thach himself. He has got an outstanding pupil by the name of Hun Sen, who is carrying out a slanderous campaign against Sihanouk to discredit Sihanouk because he is afraid that Sihanouk will win in the political and diplomatic fight. In carrying out this campaign, Hun Sen is very happy that there are some Cambodians, such as In Tam, Pung Peng Cheng, and so on, who have abandoned patriotism and the national liberation movement to embrace and kiss the feet of Vietnam and Vietnam's lackeys, that is the communist party of Hun Sen and Heng Samrin, who serve Vietnam; I call these people Cambodian Vietminh [pro-Vietnamese Cambodian communists].

Therefore, it is necessary that we fight on the battlefield. It is very good my children. We should expand and strengthen our forces on the battlefield against the Vietnamese so that the latter agree to withdraw their troops and to solve the problem justly. Otherwise, they would not solve the problem with Sihanouk and with our great

friends in the international arena, with the United Nations, despite the fact that in this organization there are 122 countries supporting us against 19, including Vietnam, which oppose us. 122 for and 19 against. It is very difficult in the struggle on the diplomatic front in the international arena because Nguyen Co Thach and Hun Sen are clever in duping people to see black as white and vice versa. This is the new great danger for our nation.

Therefore, I have agreed to meet Hun Sen in the near future—Hun Sen asked to meet me. If I did not receive him, people and the world would accuse me—in fact I have already been accused—of not wanting peace for our people and only thinking of war instead and not thinking of solving the Cambodian problem politically and peacefully through diplomatic means. I have been unjustly accused of not wanting peace for the nation. How could I not want peace for you, my children and people, whom I love more than my own life? We, the ANS and FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia], Sihanouk, and all of you whom I am serving, we all love peace and our people more than our own lives. We want peace for our nation quickly. However, we do not want to be forced to become Vietnam's slaves and lose our national resources, which Vietnam has been plundering—these resources are not Sihanouk's, they belong to the Cambodian people and nation, even our ancient Angkor temples and a lot of our antiquities have been plundered by the Vietnamese; Hun Sen has let our national heritage disappear and also our territorial integrity, not just our independence. How can we accept the peace Nguyen Co Thach is selling to people at the request of some foreigners. We cannot accept this kind of fake peace. We can accept only genuine peace for our nation, people, and beloved and sacred motherland, with 100 percent independence, without Vietnamese troops, peace with territorial integrity on land and at sea like in 1969. Otherwise, we have to struggle. I would like to tell you that there is increasing misunderstanding in the world.

On 26 March, the French Government sent two personalities to see me with Hun Sen's request to meet and talk with the samdech, with two concessions for the samdech. I also want to know what these two concessions for Samdech Sihanouk are from Hun Sen, from Vietnam. That is why I replied to Hun Sen through France that I can receive Hun Sen on 2 and 3 May 1989 in Jakarta, Indonesia, since I happen to be visiting His Excellency President Suharto of the Indonesian Republic at that time because Indonesia and His Excellency Suharto are my good friends. I did not attend JIM 2 [second Jakarta informal meeting] during the JIM talks. Therefore, I should show that I still like, and respect, and I should express my consideration and show that I am still profoundly grateful to President Suharto, head of Indonesia. That is why I said I would go to Indonesia from 30 April to 3 May this year. Afterward, I will spend two weeks in the Kingdom of Thailand to contact the Royal Thai Government and to greet the king of Thailand on the Cambodian problem. I would also be like in the previous years. We will certainly meet, my children. I will meet you twice at ANS bases; first to receive credentials from three

new ambassadors of three friendly countries in my role as head of state of Cambodia; these are the new ambassadors from China, Senegal, and from Korea, from President Kim Il-sung. I would cordially meet with you, exclusively for ANS, and to distribute the annual assistance to you, and a lot of aid from our FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] members in various countries for you and compatriots at Site B. I will cordially meet you, children, on one more day. Therefore, I will spend one day with those of you at Site B; one day with the ANS; and one day for receiving diplomats at an ANS base. Altogether, I will meet you for three days. I will also meet with you on other days because I will stay in the Kingdom of Thailand for two weeks before returning to the PRC, our great friend, where I have my residence.

Thus, I would like to inform you that I agreed to meet with Hun Sen because, one, the entire world has accused me of not wanting peace for Cambodia and for our Cambodian people; therefore, I should meet Hun Sen to show the world that I am not behaving inappropriately, as I was accused. Secondly, we should also know what concessions Vietnam and Hun Sen have for solving the Cambodian problem with us. We ought to know, as well what they want to tell Sihanouk. Sihanouk has already informed the Coalition Government of Democratic Kampuchea, His Excellency Son Sann, His Excellency Khieu Samphan, and Prince Norodom Ranariddh—the three sides of our national resistance movement—saying that I am going to meet Hun Sen, not to decide anything with him but just to listen and hold some discussion with him. Afterward, I will be in Bangkok to meet with Khieu Samphan, Son Sann, and Prince Ranariddh for lengthy discussions before replying to Hun Sen on what points we agree and disagree, and so on. I will not decide anything when I meet with Hun Sen. I have asked France to inform Hun Sen that I can meet him either on 2 and 3 May in Jakarta or in September 1989 when I will be going to Paris on my way to the United Nations in October. I will be working for the nation at the United Nations in October. But in September, I will be working for the nation in Paris, such as meeting with President Francois Mitterrand and the government of the French Republic. Therefore Hun Sen can choose to meet Sihanouk soon in Jakarta or wait until September in Paris. I have asked France to tell Hun Sen to choose. Since then, it is now 5 April, the day I am preparing this message for you, Hun Sen has not yet replied to me what date he has chosen to meet me. Therefore, I cannot tell you yet when I will meet with Hun Sen. What I should inform you is that I will not decide anything during the meeting with Hun Sen. I will wait for discussions with His Excellency Son Sann, His Excellency Khieu Samphan, Prince Ranariddh—leaders of our three sides—before deciding anything.

I am ending this message at this point. Thank you all very much.

Long live the ANS!

I embrace you with great affection.

Thank you very much, thanks very much, children.

UN Supervision of SRV Troop Pullout Urged
BK1304080989 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 12 Apr 89

[Station commentary: "What Is Vietnam's Sovereignty in Cambodia?"]

[Text] In its deceitful troop pullout announcement on 5 April, Vietnam said the Control Commission it unilaterally proposed should carry out its tasks on the basis of respect for Cambodia's sovereignty. What is Cambodia's current sovereignty?

1. We would like to recall that the international committee proposed by Vietnam is mostly composed of allies of Vietnam and the Soviet Union, which is a co-aggressor in Cambodia.

2. Cambodia's sovereignty Vietnam referred to is the sovereignty of Vietnam. It is a puppet regime Vietnam propped up with the support of aggressor troops and is a tool serving Vietnam's war of aggression and territorial annexation in Cambodia. This Vietnamese puppet regime survives only through the support and control of the Vietnamese army and over 100,000 Vietnamese agents currently in Cambodia. This puppet regime is categorically opposed by the Cambodian people and is not recognized in the international arena.

3. It is obvious that Vietnam's conditions concerning control in Cambodia is to prevent the control commission from inspecting places where Vietnam is hiding its troops and where tens of thousands of Vietnamese have been disguised as Cambodians. If this organization wants to inspect any areas, it should first ask for permission from Vietnam so that measures could be taken to hide these troops or the committee could be banned from going to those places under the pretext of security reasons. Can such a control commission set up by Vietnam effectively carry out its task since the majority of this commission's members are allies of Vietnam and the Soviet Union and since they have to respect Vietnam's sovereignty in their movements?

No one is stupid or ignorant to the point of following Vietnam's gross maneuver. The international community has successively exposed this Vietnamese maneuver. People are unanimous in their views that only when the United Nations sends an international peacekeeping force to closely supervise the withdrawal of Vietnamese troops and to set up a provisional four-party government headed by Samdech Norodom Sihanouk, can it be ensured that Vietnam's troop pullout from Cambodia is genuine, can Cambodia regain genuine independence, sovereignty, and territorial integrity; and can peace and security in Southeast Asia be ensured.

Laos

Thai Firm Gives 25 Million Baht to Lao Government *BK1204102689 Vientiane KPL in English 0903 GMT 12 Apr 89*

[Text] Vientiane, April 12 (KPL)—Khamsai Souphanouvong, first deputy minister of economy, planning and finance, yesterday received a cheque of 25 million baht (Thai currency) and three 500 cc motor-bikes worth 810,000 baht from Gen. Nuan Chantri, director of the Thai VSS [expansion unknown] Company.

In line with Laos' open-door economic policy, the VSS Company will jointly invest with Lao Government in setting up an airline company and a commercial bank.

Kaysone Phomvihian Addresses Grass-Roots Cadres *BK1304114289 Vientiane Domestic Service in Lao 1200 GMT 13 Apr 89*

[Text] On the evening of 6 April, Comrade Kaysone Phomvihian, general secretary of the party Central Committee and chairman of the Council of Ministers, addressed the conference on the first phase of the construction of the grass roots of northern provinces which was held in Sayaboury Province.

First, Comrade Kaysone Phomvihian, on behalf of the party Central Committee, praised the great successes scored by cadres in charge of grass-roots construction and multiethnic people in the northern provinces, in particular, after the fourth party Central Committee has adopted the fifth, sixth, and seventh resolutions. The northern provinces, especially Sayaboury, have undergone many profound changes enabling the people to become the master of the country and society and achieve self-sufficiency. Such changes are a correct trend in line with the new concept and can be attributed to the grass-roots construction cadres and personnel from the central and local levels who have been imbued with Resolution No 51 on turning to the grass roots, the guidance provided by the Secretariat of the Central Committee, and the party's plan and policy for new era and their endeavors to effect all-round changes in the areas of their respective responsibility. All these things have become foundation for the implementation of the second phase of their work.

[Words indistinct] the comrade brought up past shortcomings and problems which everyone must tackle and study to find quick remedies. Cadres in some localities have not yet been imbued with the party's plan and policy and contents of the fifth, sixth, and seventh resolutions of the fourth party Central Committee. Therefore, they lack consistency and dare not work nor master in carrying out their duties. Some comrades lack abilities to carry out the grass-roots construction work and experiences, so they tend to isolate themselves. Many problems have not yet been dealt with properly.

At the end of his address, Comrade General Secretary Kaysone Phomvihian instructed the grass-roots construction cadres to be determined to propagate the contents the seventh resolution of the fourth party Central Committee among the cadres and party members before guiding the people at the grass roots to correctly implement it. At the same time, cadres must observe and assess the actual situation in each locality to carry out their work and promote production which must be linked with the defending of the country and peace and order and be in line with political, ideological, and social progress so as to achieve the target of our country's socioeconomic development program.

The conference reviewed lessons drawn from the implementation of the tasks in relation to the first phase of grass-roots construction work in northern provinces held from 4 to 6 April.

Provisional Regulation on Land Use Reported *BK0704133189 Vientiane Domestic Service in Lao 0000 GMT 5 Apr 89*

["Provisional Regulation on the Management and Use of Land for Agricultural Purpose in the Lao People's Democratic Republic" issued in Vientiane on 21 March by Kaysone Phomvihian, chairman of the Council of Ministers]

[Text] With reference to the resolutions adopted at the 5th, 6th, and 7th plenary sessions of the 4th party Central Committee and the decision reached by the Council of Ministers at a session held between 27 February and 1 March 1989 to modify the management and use of land for agricultural purpose to suit with the current reality, aimed at promoting the correct and effective use of land for agricultural purpose and turning more and more agricultural products into goods to serve society; and with reference to a proposal made by the minister of agriculture and forestry, the Council of Ministers has issued the following provisional regulation:

Part I. The Overall Principle

Article 1: Agricultural land is defined as the various types of land which are or can be used in agricultural production and experiments, including land for raising animals, amphibious animals, and aquatic animals. Agricultural land is an excellent national resource which is both an important means for and target of agricultural production.

Article 2: The entire land, including agricultural land, is property of the entire national community represented by the state. The state is the administrator of the management of land and grants the right of prolonged use of that land to Lao citizens, aliens with residences in Laos, and various economic sectors, including those operated with capital from foreign partners.

Article 3: The state promotes the use of agricultural land for production according to correct objectives and exercises the principle of balancing between labor and land in each village and each area so as to allow each family to

have enough land for production in accordance with its own labor and capital capabilities. It is prohibited for anyone, be they organizations and state, collective, or private economic sectors, to simply lay claim for use on land without clearing or carrying out production on it. It is prohibited to sell or buy agricultural land. It is prohibited for anyone who has agricultural land under his jurisdiction to leave it as waste land, especially land for rice farming, including dry season rice farming. If it is discovered that anyone has put a claim for use on agricultural land without carrying out production on it and leaves it idle, that person will be fined and that piece of land will be transferred to other people for use.

Part II. The Right to Use Land

Article 4: Agricultural land which is under the right of use by certain persons:

1) Agricultural land, which belonged to those persons who had committed crimes against the revolution and who were punished with verdicts meted out by the people's court on 4 September 1975, will be distributed by the state to other people who are in need of it for legitimate use in production according to the number of workers in their family. Those who receive land through such distribution have no right to lease it to others. In the future when it is found out that a particular person possesses more land than needed beyond his labor and capital capability, the state will take back that excess land for distribution to others, including those living in other localities, for use in production so as to not to leave that land idle.

2) Agricultural land, which formerly belonged to those who have fled to live in foreign countries, which is now being used productively by someone, that person's right of legitimate use will be acknowledged by the state. If it is found that said piece of land exceeds that needed for his labor resources, the state will give the excess land to persons who have no land or who have land but not enough as required. The user has no right to lease this piece of land to others. The state does not acknowledge the transfer of the right of use to other people by the owner of the land who has already fled the country.

If a person who has fled to live in a foreign country returns home and wishes to acquire land for production, the state may give him his old piece of land provided there is still some excess land left or land in other localities in accordance with his labor and capital resources.

3. Agricultural land which is claimed for use but is not actually put to use in production will be taken back by the state for distribution to those persons who have no land or have land but not enough as required for production without paying any compensation to the claimant.

4. As for land which has been cleared by state personnel, be they soldiers and policemen, who have been transferred to work in other localities for more than 5 years and left their land under the right of use by other people, the state

acknowledges the right of legitimate use by the people who have carried out production on that land. A state employee who has already been transferred has no right to ask for a reclaim of that piece of land. If said state personnel wishes to acquire land for production in the locality where he is stationed, the state will provide appropriate land to him. If the state personnel has already received compensation from the transfer of his land to other people before he was transferred, the state will not pay for the cost of clearing a new piece of land for him.

5) The state allows the state personnel and people who have agricultural land in abundance that has already put into production and capital capability but lack labor to hire labor force for production or lease the land to other landless people at the rates agreed upon by both sides—not exceeding 15 percent of the actual value of production of the production season of the first year. The lease rates for later years must not exceed that calculated for the 1st year of lease. The people who have agricultural land in abundance cannot transfer the land to any people at their own will. The state will apply the following coercive measures with those who left their land as waste land without sufficient reasons. They will be fined 10,000 kip per 1 hectare of land for the 1st year and 15,000 kip per 1 hectare for the 2d year. If the land is left as waste land for 3 consecutive years, the state will give that piece of land to other people to use for production.

Article 5: Agricultural land which is under of the right of use by cooperatives:

1) Agricultural land which has already been turned to collective ownership, including land left unattended by individuals during the wartime and jointly retrieved by the people after the war will be distributed on contractual basis to cooperative members in accordance with labor available in each member's family. Each cooperative will hold meetings to determine the balance of land distribution and labor forces. In this connection, attention must be given to families whose members have sacrificed for and were disabled by the revolution.

2) Agricultural land of cooperatives which has not yet been turned to collective ownership will be used on contractual basis by families of cooperative members. People and cooperative members who have no agricultural land or not enough land should concentrate on collective agriculture and increase production seasons to boost production efficiency. Those who have land beyond their labor and capital capabilities will be encouraged to transfer the right of the use of land to those who have no land or not enough land. Labor forces in cooperatives and villages will be mobilized to open up new land to help those who have no land or not enough land. Financial sources must be sought to provide loans for those who wish to open up new land. In case of lack of land for opening up and that collective farming is not feasible and production season cannot be increased,

those who have no land or not enough land should be moved to other localities where land for production is available or engaged in other occupations to be provided by cooperatives.

Article 6: Agricultural land which is under the right of use by state economic units:

The right of use of agricultural land which has not yet been put under production or effectively put under production must be given to those who need land for production. Any economic unit claiming possession of any piece of land but left it as waste land will be subject to fines as stipulated in Articles 3 and 4 of this provisional regulation. Any state economic unit using land under possession of the people for purposes of economic production or experiments and research must provide financial assistance to former owners of the land so that they can open up land elsewhere or recruit them to carry out production on contractual basis in that state economic unit as deems appropriate. Otherwise, it must open up new land for such purposes. In case of the land under possession of any individual but left unattended, state economic unit will not pay him any compensation for the use of that land.

Article 7: The prolonged right to use agricultural land which is not under the possession of any particular person will be given those who want to use it for economic production.

Article 8: Those who have no agricultural land or not enough land for production must inform the village administrations or organizations to which they belong for assistance and correction and, at the same time, search for new land by themselves. They may open up new land or lease land from other people or share with those who have excess agricultural land.

Article 9: Those who have received the right of agricultural land use must actually use the land for agricultural production. It is strictly prohibited to use agricultural land such as paddyfield for other purposes like construction of houses, buildings, factories, and so forth. If necessary, prior approval must be attained from chairmen of district, provincial, or municipal administration on the condition that new land must be opened up at equal acreage. Violation of this article will lead to the revocation of the right to use the land.

Part III. The Organization of the Implementation of the Regulation

Article 10: The minister of agriculture and forestry is assigned to coordinate with the economy, planning, and finance minister, chief of the Office of the Council of Ministers, and chairmen of local administrative organizations and sectors concerned in organizing and carrying out the experiments in certain localities in Vientiane Municipality, Vientiane, Savannakhet, and Champassak

Provinces and later make conclusion, draw lessons, and prepare detailed guideline for the implementation of this provisional regulation before it will be implemented nationwide.

Article 11: The economy, planning, and finance minister is assigned to coordinate with the agriculture and forestry minister and the justice minister, and chief of the Office of Council of Ministers to draft a land law and submit it to the Supreme People's Council for promulgation in 1990.

Article 12: Ministers, heads of equivalent organizations, chairmen of provincial and municipal administrations are assigned to strictly implement this provisional regulation. Through actual implementation, they should promptly inform the Office of Council of Ministers of shortcomings, amendments, and modification as they deemed appropriate.

Article 13: This provincial regulation becomes effective the day it is signed. Past regulations, orders, and decrees which contradict this provisional regulation are hereby nullified.

Vientiane, 21 March 1989

[Signed] Kaysone Phomvihane, chairman of the Council of Ministers

Philippines

Businessman Says Aquino May Visit U.S.

HK1404110789 Manila Manila Broadcasting Company DZRY in Tagalog 0800 GMT 14 Apr 89

[Text] President Corazon Aquino will again visit the United States to seek support for the country's economic recovery program. The details from Vic Pambuan, Mobile Unit 13:

[Begin recoring] [Pambuan] President Corazon Aquino plans to visit the United States to appeal for support for the country's economic program.

She made this statement to John Mulroney, president of (Robin and Hash), a successful company based in Philadelphia, U.S.A.

Speaking to newsmen in an interview, Mulroney said that the president mentioned to him a possible visit to the United States, and if given the chance, she would address the U.S. Congress to seek its continued support for commercial activities in the Philippines.

Mulroney discussed with the president the Philadelphia company's plan to increase investments in the country. The president reportedly advised him to consult with various business sectors and find means to expand their business. Mulroney added the president will support their plans.

Mulroney's group offered the president a replica of the Liberty Bell which was heartily accepted by the president.

Mulroney reported that his company has a total investment of \$10 million in the country, and has plans to raise it by \$5 to \$15 million. According to Mulroney, (Robin and Hash) owns chemical and paint factories in the country.

[Mulroney in English in progress] ...very pleased that the economic progress that were made here in the Philippines in the last 2 years particularly, and she has pledged herself to continuing that with increasing investments, both domestic and from abroad. And she encouraged us to work in various sectors of the Philippines for new sites and expansion and we plan to do that. [end recording]

Japanese Grant To Benefit Food Production

HK1104123189 *Quezon City Radyo ng Bayan*
in Tagalog 1100 GMT 11 Apr 89

[Text] The Japanese Government has approved a grant worth more than 26.5 million pesos to finance a government project that will benefit 115 towns in the country. The towns will be covered by a program designed to combat malnutrition.

The grant comes under the Philippines-Japan increased food production program and aims to help impoverished areas set up their own food production.

Aquino To Delay Increases in Fuel, Power Rates

HK1004095189 *Manila Manila Broadcasting*
Company DZRH in Tagalog 0800 GMT 10 Apr 89

[Excerpt] The government will act on the threat by the National Power Corporation to raise power rates and the cost of petroleum products and on the purchase of 36 new cars by the National Power Corporation. This was the president's statement to Malacanang newsmen during a mini-news conference held in her office.

The president said that the public is aware of the constant increase in the prices of petroleum products, but that despite this the government is trying to maintain the present petroleum prices and power rates to help the public. She said she has spoken with Speaker Mitra and Senate President Jovito Salonga on the issue and has ordered them to stop the planned hike in power rates and petroleum costs.

[Begin Aquino recording in English] First of all, I think we all know that the world price has gone up, and that the fact that we have been able to maintain the cost of prices is because of the oil price stabilization fund.

I have talked about this matter with both Speaker Mitra and the Senate president, and we are trying to work out something so that whatever increases will be made will be done at a minimum.

This matter is being studied, but I have asked them to delay for as long as possible the increase in fuel prices. [end recording] [passage omitted]

Aquino Discusses Proposed Mindanao Plebiscite

HK1004120589 *Manila Radio Veritas in Tagalog*
0900 GMT 10 Apr 89

[Text] The president is expected to announce the government's stand on a proposal to increase wages on 1 May, Labor Day. This was learned today in a news conference held after the president met with Senator Ernesto Herrera, author of a Senate bill calling for the regionalization of wages.

The president is presently meeting with Labor Secretary Franklin Drilon. Drilon is expected to submit his recommendations on the issue.

In related developments, the president stressed the importance of conducting an information campaign before holding a plebiscite on the implementation of the organic act in Mindanao. This was the president's statement after a meeting with Senator Aquilino Pimentel and Congressman Martinez.

For added details, here is an excerpt from the news conference:

[Begin recording in English] [Aquino] Well, this morning, I met with both Senator Pimentel and Congressman Martinez. They are the chairmen of the committees in both houses tasked with the organic act, and I have asked them for a meeting with representatives of the executive branch so that we can work out or try to explain to them some of the issues where we have some slight differences. The length of time will, of course, be dependent on what the senators and congressmen finally agree upon. What I believe is necessary is for us to have a very efficient information campaign so that all those who will be voting in this plebiscite will be informed very well on what the advantages and disadvantages are. So, that matter will have to be discussed thoroughly by, hopefully, this panel that I am asking for. We are just asking if we can just express the concerns of the executive branch.

[Question indistinct]

[Aquino] No, actually, they have not yet...[changes thought] it is not yet law. It will depend on them. It will really be up to the senators and congressmen after the... [changes thought] it will still have to undergo third reading and then, in the Congress committee, that is when, I guess, they will decide how long the period should be before the plebiscite actually takes place. My only concern is that we be given sufficient time so that we can properly and thoroughly inform the people on what the organic act is all about.

[Question indistinct]

[Aquino] No, no, I think it is only fair. In fact, at our last cabinet—well, the special cabinet meeting last Friday—we were informed of the results of the survey where the great majority in the concerned areas were not aware really of what the organic act is all about, what the

autonomous region means to them, so it is absolutely necessary that we have sufficient time to inform them what they are going to vote upon. And I think it is the obligation of this government to make known to the people what it is that they are facing and what...so that it can better enable them to make a wise decision when they vote.

[Question indistinct]

[Aquino] That is still being discussed. In fact, it will still have to pass through a third reading, and after that, it will go to the Congress committee.

[Reporter] Isn't it that you will have to recommend it?

[Aquino] No, I would ask that if representatives from the executive branch would be able to express some of the differences in certain issues.

[Question indistinct]

[Aquino] This afternoon, Secretary Drilon will be coming to brief me on the recommendations. Also, this morning, I spoke with Senator Herrera and he was explaining the regionalization of the minimum wage, and he was explaining to me the advantages of having such a minimum wage to be based on regions. So, all of these I will discuss with Secretary Drilon, because, as I have said, he has made an extensive study. His department has made an extensive study on this, and based on his recommendations, I will then also make my recommendations to Congress.

[Reporter] When will this be?

[Aquino] Well, I will tell you as soon as Secretary Drilon has given me his recommendations. If there are no further matters that I want to be cleared on, then maybe we can make an announcement close to, probably on, May 1. [end recording]

That was President Aquino speaking on the proposed wage increase issue and on the conducting of an information campaign on the implementation of an organic act in Mindanao.

This is Gabby Salcedo reporting from Malacanang.

Raid on Regional AMGL Office Criticized

HK1104080789 Manila PHILIPPINE DAILY
INQUIRER in English 11 Apr 89 p 2

[Paid advertisement entitled: "Defend Our Gains! Assert Our Rights!"]

[Text] It has been almost one month since the raid on the regional office of the Alyansa ng mga Magbubukid sa Gitnang Luzon (AMGL) [Central Luzon Farmers' Alliance] in San Fernando, Pampanga and the arrest of 18 members of AMGL and other cause-oriented organizations. On March 13, 1989, combined elements of the

172nd PC [Philippine Constabulary] Coy and San Fernando Police Force swooped down on the said office in a blatant manner reminiscent of the martial rule of the U.S.-Marcos Dictatorship.

This attack on a legitimate peoples' organization is not an isolated incident. It is part of a grand design being perpetrated by the U.S.-Aquino regime to suppress the people's democratic rights already earlier proven in a series of atrocities against the people in the scale and the likes of Mendiola, Lupao and Mariveles Massacres, bombings, arrests, salvaging and assassinations of activists and mass leaders. The recent attack on the AMGL office and the subsequent arrest and continued detention of several persons however give a stark proof to a new height in the curtailment of peoples' basic rights.

This premeditated action against the regional office of an organization of the peasantry, which compose the overwhelming majority of the people is a breath short of declaring illegal all legitimate organizations and protests. The raid came also at a time when the anti-worker, union buster and the strike-banning Herrera Bill has just been signed by Aquino into a law.

The Aquino government, displaying rabid puppetry and subservience to U.S. imperialist interests is increasingly enforcing steps and measures to silence the people. These are being done with deceptive democratic posturings and claims of "popularity."

The attack on AMGL and other recent anti-people acts are also designed to preempt the resurgence of people's protests against the newest impositions of the International Monetary Fund which are already creating further havoc on the people. These actions are also in preparation against more mass protests being anticipated by the regime come the opening of talks on the Military Bases Agreement.

It will be recalled that Central Luzon was the scene of recent anti-base activities. Peoples' organizations in the region actively participated in and spearheaded the campaign. As one, the AMGL offered its regional office as the center for operations and coordination.

We are of firm belief that the recent attack on AMGL was a probing action and a signal for a more intensified suppression of the people's democratic rights. There is now an even closer and constant surveillance, intimidations and witch-hunt being conducted by the military against centers, members and officers of cause-oriented organizations in Central Luzon. The U.S.-Aquino regime has the region as one focus of its systematic repression of the people. It is not only assaulting urban-based legitimate peoples' organizations. It has even deployed 11 Philippine Army and Marine battalions in the region where Cory Aquino hails from.

By all indications the attacks on the people by the U.S.-Aquino regime are bound to increase and escalate. We can and must not let this happen. As the regime is bent on waging its total war against the people, we are resolute in

defending our gains, in asserting our democratic rights and resisting the intensifying fascist onslaughts against us. There are more battles to be won ahead of us. Organizations and militant actions are among our most potent weapons for the victory of the people. We call on all to render more strength in the struggle.

Defend the hard-fought gains of the people!
Assert our democratic rights! Resist and frustrate the increasing fascist attacks by the U.S.-Aquino regime on the people!

Persevere in the struggle for genuine independence and democracy! [Dated] April 8, 1989

[Signed]

Bagong Alyansang Makabayan—Gitnang Luzon (Bayan-GL) [New Nationalist Alliance—Central Luzon]
Alyansa ng Magbubukid sa Gitnang Luzon [AMGL]
Workers' Alliance of Region III (War [as published] III)
League of Filipino Students—Central Luzon (LFS-CL)
Progressive Organization of Teachers for Enlightenment and Nationalist Transformation (POTENT-CL)
Alliance of Concerned Teachers Central Luzon (ACT-CL)
Central Luzon Alliance for a Sovereign Philippines (CLASP) Forum for Women Concern

Senator Questions Efforts To Capture Honasan

HK1404111589 Manila Manila Broadcasting
Company DZRH in Tagalog 0800 GMT 14 Apr 89

[Text] How can former Colonel Gregorio Honasan and his associates be arrested if Defense Secretary Fidel Ramos and Armed Forces of the Philippines chief of staff General Renato de Villa themselves—who allegedly know the whereabouts of the renegade soldiers—are not serious in the efforts to arrest these men? This was the question posed by the Senate Defense Committee chairman, Senator Ernesto Maceda.

[Begin Maceda recording in English] They are not really intent on going after them and look after them. This is my opinion. And again, they will shout about this statement and dispute it. But that is my opinion. As Gen De Villa said, I am entitled to my opinion. That is my opinion. I don't think they are looking hard enough. I think if they wanted to, they would know where he is. [end recording]

This is Maceda's reaction to a report that the military has raised the reward for any information leading to the arrest of the renegade soldiers. He claimed that the increase was a gimmick concocted by Camp Aguinaldo.

This is Cesar Chavez reporting for DZRH News from the Senate.

Political Parties Willing To Talk to NDF

HK1004123789 Manila Manila Broadcasting
Company DZRH in Tagalog 0800 GMT 10 Apr 89

[Text] The Liberal Party is willing to listen and to talk to the National Democratic Front [NDF]. This was the reaction of Senate President Jovito Salonga, Liberal

Party president, to the announcement by the National Democratic Front international commissioner Luis Jalandoni that the NDF is ready to talk to the various political forces in the Philippines because the Aquino government allegedly is no longer taking initiatives for the holding of peace talks. The NDF named the Liberal Party, PDP-Laban [Pilipino Democratic Party-Lakas ng Bayan—Strength of the Nation], and the Nacionalista Party. For the Liberal Party, here is Senate President Jovito Salonga:

[Begin Salonga recording in English in progress] ...between party basis, they can only talk with us if they wish to. We shall listen to them. It's good for them to talk to us, so they cannot complain that the political parties are not listening to their complaints. Now, with respect to the executive department, [words indistinct]. As far as I am concerned, I will listen to them. They are our Filipino brothers anyway. [end recording]

Meanwhile, on the PDP-Laban side, party Chief Aquilino Nene Pimentel Jr said that they are willing to participate in the peace talks.

[Begin Pimentel recording in English] I think that the talks should lead to peace in this country. [passage indistinct] [end recording]

Kintanar Reportedly Signed NPA Bomb Statement

HK1304133589 Manila Radio Veritas in Tagalog
1300 GMT 13 Apr 89

[Excerpt] [Passage omitted] According to the New People's Army [NPA] statement, one of its groups was able to enter the station unnoticed by the guards. They allegedly planted 25 explosives in the giant antenna, in the (?metal) communications van, and in the four satellite dishes in the station. They said they ensured that the bombs were planted far from the residential compound to avoid hurting the civilians. The NPA statement reportedly bore the signature of escaped NPA Chief Romulo Kintanar. This, allegedly, is part of the NPA's tactical offensive to punish the Americans who are meddling in the military insurgency operations.

Pangasinan Governor Says NPA Influence Down

HK1004045589 Manila MANILA BULLETIN
in English 10 Apr 89 p 19

[By Jose de Vera]

[Text] Asingan, Pangasinan—Gov. Rafael Colet and Col. Romeo Odi, Pangasinan PC-INP [Philippine Constabulary-Integrated National Police] commander, told Defense Secretary Fidel V. Ramos over the weekend that communist influence in the rural areas of this province has greatly diminished.

Ramos visited field troops in the province and spoke at the closing here of a seminar-workshop by members of the regional, provincial, and municipal Peace and Order Councils.

In an earlier briefing on the overall peace and order condition, Odi said that 159 barangays were under the influence of the communist New People's Army [NPA] before he took over the local PC-INP in 1987.

Today, only 41 barangays are only "affected," no longer "influenced," by the NPA, Odi said.

Colet and Odi told Ramos that the only problem that has not been solved or where no immediate solution is in sight is illegal gambling which, they said, is rampant all over the province.

The governor, however, cited a possible solution—legalization of gambling, "jueteng," a numbers game, and other forms of gambling like the sweepstakes lottery and casino operations.

ICO Said Short of Funds To Support MNLF

HK0504092789 Manila Manila Broadcasting Company
DZRH in Tagalog 0800 GMT 5 Apr 89

[Text] The Islamic Conference Organization [ICO] does not have the financial capability to support the Moro National Liberation Front [MNLF] because it is short of funds. This statement was issued by the Department of Foreign Affairs amidst reports that said that the MNLF is receiving money and equipment from rich ICO members. The MNLF is threatening to renew hostilities in Mindanao because it has failed to become a member of the ICO. The Foreign Affairs Department statement is based on the editorial published in the SAUDI GAZETTE newspaper, saying that the ICO secretariat is seeking \$200-million membership dues from members who have not been paying. It made reference to the statement of ICO Secretary General Hamid al-Ghabid who said that only 22 of the 46 members are paying their membership dues. Other members have not paid for the past 20 years, he added.

More MNLF Members Expected To Surrender

HK1004125189 Manila THE PHILIPPINE STAR
in English 10 Apr 89 pp 1, 7

[By Buddy de la Cruz]

[Text] An exodus of surrenderers from the rank-and-file of the Moro National Liberation Front (MNLF) is expected by the military authorities now that the second bid of the MNLF for membership in the Organization of Islamic Conference (OIC) has been rejected.

This was voiced out by Col Juanito R. Rimando, AFP [Armed Forces of the Philippines] spokesman, even as some 327 MNLF members with 279 high-powered firearms surrendered during simple ceremonies in the cities of Pagadian and Zamboanga on April 1.

The first group of surrenderers included Commander Dennis Chiong and 65 of his followers who yielded to the government 65 firearms. Commander Hamid Bitington and his 261 men followed suit, turning over to the military some 215 assorted firearms.

A week ago, MNLF elements based in Sabah and Malaysia surrendered to military authorities in Sangasanga, Tawitawi. Their exact number is still being determined.

Military authorities also said surrender feelers have been received by the Southern Command and it is believed that the number of surrenderers for the second quarter of 1989 would surpass that for the whole of 1988.

Col Rimando said the great number of surrenderers is a strong indication of the disillusionment of Nur Misuari's followers and their desire to live a normal life.

Thailand

U.S. Drug Patent Protection Demands Viewed

BK1304122389 Bangkok MATICHON in Thai
13 Apr 89 p 10

["Different Dimension" column: "The Thai Government's Options"]

[Text] Today, I would like to discuss the "pharmaceutical patent" issue in which the United States and U.S. pharmaceutical manufacturing associations seek to have Thailand sign an agreement to enact a patent law that covers pharmaceutical products.

In fact, the pharmaceutical patent law issue is under the responsibility of the Commerce Ministry, which has nothing to do with pharmaceutical affairs, because developing countries consider pharmaceutical products as a necessity of life and usually do not give protection to them.

The reason that the United States presses Thailand and other developing countries to enact patent laws is that the United States is suffering from a huge trade deficit. And even Thailand has begun to enjoy a trade surplus with the United States since 1985.

The United States has tried to find ways to reduce its trade deficit by any means. However, the best way for the United States is to find ways to stop granting Generalized System of Preferences or to press other countries to buy more products.

As a result, the United States has begun its measures exerting pressure on Thailand, beginning with the demand for computer software protection. When the negotiations on this issue failed, it turned to exert pressure on the pharmaceutical patent issue. Computer software or pharmaceutical patents are all necessary for national development and also have great benefits.

In addition to exerting pressure on Thailand to amend the pharmaceutical patent law, the United States also tried to have Thailand allow legal foreign cigarette imports. At present, Thailand is the only country in Asia that does not allow foreign cigarette imports. Two-thirds of the U.S. cigarette exports are to the Asian cigarette market, which also produces great amounts of income for the United States.

Currently, the government will probably have to make a decision on the U.S. pressure—whether to agree to amend the patent law, which will cost Thailand an additional 39,000 million baht for drug products, or to allow cigarette imports in exchange for the special privileges of a small group of people.

It is important to ask how the government can be sure the United States will not continue to exert pressure in other areas if the government yields to its demands.

Import of U.S. Cigarettes Under Consideration

BK1404101989 Bangkok *THAI RAT* in Thai
14 Apr 89 p 11

[Text] Finance Minister Pramuan Saphawasu disclosed that the Finance Ministry received a telex from the United States saying that the U.S. Cigarette Export Association had filed a petition with the Office of the U.S. Trade Representative demanding retaliatory measures against Thailand if it does not allow import of U.S. cigarettes to Thailand. The minister said he had assigned the authorities concerned to make a decision within 45 days—a period as stated in the telex. The decision must be based on national interests. A final decision should not rest with the Finance Ministry.

According to a report, the International Economic Relations Policy Committee, chaired by Deputy Prime Minister Phong Sarasin, is studying the two alternatives proposed by the Finance Ministry. The first alternative is to allow import of all brands of foreign cigarettes without a limit of quotas and to have the government fix selling prices which will be around 26 or 30 baht per pack. The second choice is that the government set import quotas and will allow import of the only brands of cigarettes that have been widely smuggled into Thailand. They are Winston, Marlboro, Dunhill, Kent and 555. At an experimental stage of the first 3 months, the quota will be set as 2 million packs of each brand of cigarettes. The import quota will be revised afterward.

In addition, the U.S. Cigarette Export Association has also demanded that the import of U.S. cigarettes should be freely carried out without unreasonably excessive import duties and fees being charged on the Thai Tobacco Company [TTC]. In the next TTC meeting, a proposal will be made to establish a satellite company of the TTC so that the company will supply tobacco leaves to both the TTC and companies licensed to import U.S. cigarettes. This will force such companies to buy tobacco leaves from Thailand.

Praphat Terms Burma Visit 'Major Success'

BK1404004589 Bangkok *THE NATION* in English
14 Apr 89 p 1

[Text] Deputy Foreign Minister Praphat Limpaphan returned yesterday from his three-day official visit to Burma which he described as a "major success" in setting up a broad framework for cooperation in areas ranging from trade to politics and border security.

Praphat signed a trade agreement with Burma that Thai officials said is only the first of a number of cooperation agreements that Thailand plans to have with the Saw Maung regime.

Praphat's trip signals Thailand's readiness to resume full relations with the regime that has been condemned world-wide for its violations of human rights. It also serves to further break Burma's isolation after Gen Saw Maung came to power last September.

Praphat, who claimed to have made the trip in Thailand's national interest, quoted Saw Maung as saying that Rangoon considered Thailand its "important and true friend." Praphat said Saw Maung expressed appreciation for Thailand's "correct and appropriate attitude towards Burma" during the political crisis last year.

Thailand has refrained from condemning the Saw Maung regime for the mass killings of pro-democracy civilians at the height of the political unrest in Burma. Saw Maung indicated on Wednesday that his government had rewarded Thailand with economic concessions for its non-interference policy toward Burma.

The Thai minister, who came under heavy criticism when he planned to visit Rangoon last November, said the trip had laid the ground work for future negotiations for closer cooperation between Thailand and Burma. He cited Commerce Minister Subin Pinkhayan's plan to visit Rangoon at the end of this month for talks on trade and economic issues.

Praphat's 40-member delegation held five separate group meetings with Burmese authorities on cooperation in trade and investment; forestry and fishery; energy and mining; academic and technical areas; and border security.

Koson Sinthawanan, deputy permanent secretary for foreign affairs said Rangoon agreed to consider the Thai military's proposal to set up a border liaison office at three Burmese border towns of Tachilek, Myawadi, and Victoria Point, to cooperate in border security and settle problems that may occur.

He said Rangoon also proposed that both sides set up a joint border committee, which will be a policy-making body, to handle and oversee common border matters.

Col Sanan Khachonklam of the Supreme Command Headquarters, who was also in Praphat's delegation, said the Thai army has already set up a liaison office in Tak Province and a forward command in Mae Sot District, about 80 km from Tak and opposite Burma's Myawadi. He said Thailand was waiting for Rangoon to set a counterpart office.

Thai villagers, especially those living in Tak's Tha Song Yang District, have been badly affected by stray shells and the spill-over from battles between Burmese government forces and ethnic minority rebels.

On other political issues, Koson said Burmese delegates led by Deputy Foreign Minister U Ohn Gyaw agreed to consider opening Tachilek, Myawadi, and Victoria Point as its permanent checkpoints for trade with Thailand. The three towns are opposite Mae Sai District of Chiang Rai, Mae Sot of Tak and Ranong in the south respectively.

Rangoon thanked the Thai Government for its cooperation in looking after the Burmese students taking refuge along the Thai-Burmese border, according to Koson.

On forestry, acting Forestry Department Director-General Yukti Sarikaphuti said Rangoon was concerned about illegal logging inside Burma, especially in areas controlled by the minority groups where Thai loggers have been granted concessions.

He said the Thai delegates accepted Rangoon's request for more legal border checkpoints for timber transportation and for Thailand's help in stopping illegal logging in Burma, Yukti said. He added that he was informed that 16 Thai lumber companies had been granted 24 logging concessions inside Burma and that Rangoon would grant logging concessions on two more islands, Coral and Lord Loughborough.

He said under the granted logging concessions, Thailand expects to be able to import about 1.2 million tons of logs from Burma annually.

Fisheries Department Deputy Director-General Uraphan Bunprakop said Rangoon raised concern that there had been violations of fishing concessions in Burmese waters while illegal fishing still continues.

He said the Thai fishing firms are not aware that the fishing concessions granted to them by Burma are "pilot projects" that would be evaluated after six months.

Uraphan warned the Thais to strictly abide by the concessions otherwise they would risk losing them if Rangoon came up with a negative evaluation of their performance.

Pracha Khunakasem, director general of the Foreign Ministry's Economic Affairs Department, said Rangoon has asked Thailand to consider signing a border trade agreement which would be formally discussed when Commerce Minister Subin visits Rangoon.

Thailand has also invited Rangoon to send its officials here to study foreign investment and tourism, he said.

He said Rangoon also agreed to consider Thai drafts on investment protection agreement and economic cooperation agreement which would permit the setting up of a joint economic commission to handle all bilateral economic issues.

Perhaps, the most publicized aspect of Praphat's trip was his offer to share Thailand's experience in democracy with Burma. In his talks with U Ba Htay, chairman of the

Elections Commission, Praphat offered to send Thai officials to Rangoon to advise Burma on how to organize its first multi-party parliamentary election in 29 years.

Chawalit Invites Burmese Counterpart for Talks
BK1404093689 Bangkok TNA in English 0506 GMT
14 Apr 89

[Text] Bangkok, Apr. 14 (OANA-TNA)—Burmese Army Commander-in-Chief Lt Gen Than Shwe is scheduled to meet his Thai counterpart Gen Chawalit Yongchaiyut late this month for talks on the setting up of a border security co-ordinating centre, an informed source said here Thursday.

The source disclosed that Lt Gen Than Shwe's visit on April 28 to May 3 is made at the invitation of Gen Chawalit. He said the two military leaders would discuss ways to set up the coordinating centre in three Thai-Burmese border areas with an aim to solve the fighting between Burmese soldiers and ethnic groups along the border.

The first centre, the source said, will be located at Mae Sot in the northern province of Tak opposite Myawadi of Burma. In addition, other two proposed areas will be at Song Island in the southern province of Ranong, opposite Victoria Point of Burma and Mae Sai of the northern Province of Chiang Rai, opposite Tachileik of Burma.

The source said these centres will be used as coordinating offices between officials of both countries in case of the occurrence of fighting [between] groups along Thai border that may cause some effects to Thailand.

Suggests Border Liaison Office
BK1404010989 Bangkok BANGKOK POST in English
14 Apr 89 pp 1, 3

[Excerpt] Burmese Army Commander-in-Chief Lt-Gen Than Shwe will lead a 51-man delegation to Bangkok on April 28 for talks with Army Chief Gen Chawalit Yongchaiyut on the setting up of military liaison offices.

The visit by Lt-Gen Than Shwe, which is expected to last until May 3, follows Gen Chawalit's April and December trips to Rangoon this year. [as published]

During his December visit, Gen Chawalit proposed the establishment of a liaison office to oversee border areas and coordinate activities.

Lt-Gen Than Shwe, the sources said, is considered to be close to Burmese strongman Gen Saw Maung.

Foreign Ministry Permanent Secretary Koson Sinthawanan, who was part of the delegation led by Deputy Foreign Minister Praphat Limpaphan to Burma, confirmed the purpose of Lt-Gen Than Shwe's visit.

Mr Koson, who returned with the delegation yesterday, said Thailand had proposed that liaison offices be set up in Mae Sot District, Tak, opposite Myawadi; Ranong Province opposite Victoria Point; and Mae Sai District, Chiang Rai, opposite Tachilek.

"The Burmese have agreed to the formation of the offices but will be discussing details during their visit," Mr Koson said.

Thailand hoped the offices would prevent "accidents from occurring" and ensure security at border points.

One problem officials hope to overcome with the formation of the offices is stray Burmese artillery shells landing in Thai territory, he said, and discussions were also likely to focus on the formation of a national border committee.

At present there are border committees at district, provincial and national levels but Burma feels the current system is complicated and would like a new structure.

Burmese officials said the formation of a national border committee had to be discussed by the Burmese military since it was a matter of national security.

Mr Koson said the opening of permanent border checkpoints and cooperation in anti-drugs trafficking, particularly heroin and marijuana, are also expected to be discussed.

As far as anti-drug trafficking is concerned, Burmese officials will be sent to Thailand to observe operations and undergo training courses, Mr Koson said.

Mr Koson said Rangoon agreed the Thai-Burma bridge at Mae Sot be carried out as a joint project but did not want it to be part of the Asian Highway.

Mr Koson said Rangoon was not particular about the source of funding for the bridge.

The Thai delegation informed their Burmese counterparts of the Government's decision to consider all Burmese students who crossed into Thailand after March 31 as illegal immigrants.

The Burmese were told Thai officials would send them back but would treat them in a humanitarian way, he said.

The deputy director of the Department of Treaties and Legal Affairs said border demarcation talks were also held with Deputy Minister-Director General of the Political Department U Ohn Gyaw.

Officials who discussed the demarcation issue agreed to set up a committee to be co-chaired by the deputy foreign ministers of both countries.

A Thai technical team is expected to visit Rangoon in June and work on an agreement on a 48.4 km stretch of the Ruak and Sai rivers, which meet the Mekong. [passage omitted]

Sitthi Notes Foreign Ministry Anniversary
BK1404115789 Bangkok Domestic Service in Thai
0000 GMT 14 Apr 89

[Speech by Foreign Minister Air Chief Marshal Sitthi Sawetsila on the occasion of the 114th founding anniversary of the Foreign Ministry, 14 April—recorded]

[Text] Good morning dear listeners: Today, 14 April, marks the 114th founding anniversary of the Foreign Ministry. On this occasion, I would like to report to you what the Foreign Ministry has accomplished in the framework of its responsibilities and conduct of foreign policy last year.

The Foreign Ministry is a major agency of the government directly in charge of foreign affairs. It is a small ministry having only 1,200 regular officials in service at present both in the country and abroad. The policy of the Foreign Ministry is founded on the principles of national independence, freedom, sovereignty and territorial integrity, with national interests at heart. As Thailand's foreign policy is free and self-reliant, the Foreign Ministry has been taking the greatest care in efforts to solve problems and coping with the fast changing world in terms of international politics, as well as in dealing with economic, social and security developments affecting our nation. It has managed to make the country and its people steer clear from crises up to the present days.

Dear listeners, we are in a rapidly developing world, especially from the points of view of materialization, technology and communications. We must therefore reach for friendly relations with all countries, despite differences in various factors, in order to strike a balance and be in harmony with the world as this will best benefit our country and our people.

Based on these principles, the Foreign Ministry has been trying to promote and improve relations with both developed and developing countries, with neighboring and distant countries. In the past year, the Foreign Ministry has negotiated for the establishment of diplomatic relations with four more countries. This has brought the number of countries with which Thailand has diplomatic relations to 145 in total.

On international politics, in addition to efforts to strengthen relations with foreign countries, the ministry has been trying to strengthen cooperation with neighboring countries and to solve problems and conflicts with them, on the basis of Thailand's national interests as well as a common interest in terms of political, security, economic, trade and investment aspects, with those countries.

One problem, however, continues to pose a threat. It is the Cambodian problem originating from foreign occupation of Cambodia which is incorrect and which directly affects the welfare and security of the Thai people. The Foreign Ministry has arduously and persistently been trying to achieve a political settlement of the problem by appealing for a complete withdrawal of those

foreign forces from Cambodia and for the neutrality of a Cambodia which will pose no threat to its neighboring countries. Together with our ASEAN partners and the world community, the Foreign Ministry has made serious and persistent efforts for that end, and it has received support from friendly countries the world over.

It is encouraging that Thailand's efforts have now met with a positive sign of response. There has been a declaration to withdraw foreign troops from Cambodia by the end of September this year after 10 years of occupation. The Foreign Ministry will continue to closely monitor the developments and pursue efforts until a comprehensive settlement of the Cambodian problem is achieved so that peace will be restored and Thailand's problem of sheltering and feeding the refugees will end or will be lessened.

Concerning our policy with friendly countries, the Foreign Ministry has given emphasis to strengthening and promoting cooperation and exchanges in political, economic, trade, investment, tourism, social and cultural aspects with them. It has also been engaging in negotiations with them to effectively settle problems or obstacles based on national interests. It has reached agreements on several issues with those countries, such as on joint investment, trade and fishing, and border demarcation.

Along with other countries, Thailand is also concentrating on economic development to achieve prosperity. It has set a target of economic development to achieve better welfare and prosperity for the people. For this, the Foreign Ministry has given priority to promoting economic interests of the country. It has adjusted foreign policy approaches to promote economic growth of the country. It has seriously implemented a policy of using diplomacy to support trade, and has achieved effective results for that. It has also coordinated work with other agencies and with the private sector in Thailand to achieve a unified and efficient effort in looking for new markets, expanding markets for Thai products and Thai labor, promoting investment, finding sources of capital funds, raw materials and scientific and technological assistance as well as tourist markets for Thailand.

Thailand's trade value last year hit a record high of 400 billion baht whereas foreign investment in Thailand during the first half of the past year increased by 250 percent. This attested to our success, which partly comes from a correct foreign policy and effective public relations to improve the image of Thailand.

Dear listeners, another important task of the Foreign Ministry is to protect Thailand's interests and the rights and interests of Thai nationals abroad. Last year, the ministry helped 1,723 Thai fishermen arrested and detained in various countries to return home. The ministry has carried out various tasks to protect rights and interests of Thai workers in ASEAN and the Middle East countries. The ministry helped look after Thai workers in trouble and stranded overseas. It has intervened in helping workers involved in labor disputes, and claimed

back for their families the unpaid salaries or fringe benefits of Thai workers killed overseas, which amounted to several million baht annually. It has given protection to Thai workers accused of violating the law in other countries, thus enabling them to be given a fair and legal procedure.

The Foreign Ministry recently helped bring 9,656 Thai workers back home from Singapore. This is the biggest evacuation of Thai workers in history. The Foreign Ministry will negotiate with Singapore so Thai workers will be able to return to work in Singapore legally.

Dear listeners, I have reported to you some of the achievements of the Foreign Ministry in the past year which I thought would be of some interest to you. There are many more responsibilities which, given such a limited time, I cannot report to you now. Anyway, I would like to conclude here that the Foreign Ministry has been trying to develop foreign policy approaches, improve working systems, as well as personnel in order to make the service of the ministry suit the situation and achieve the best possible results. The ministry will pursue this responsibility. Above all things, the ministry will abide by the principal policy it has been following for over a century, that is, to preserve and protect the interests of Thailand, on the principles of correctness and justice. Thank you.

Government Approves Draft 1990 Budget Bill

BK0904011089 Bangkok BANGKOK POST in English
9 Apr 89 p 1

[Text] The Government yesterday approved the 335,000-million-baht draft Budget Bill for fiscal 1990, with 17,000 million baht set aside specially for rural development to improve farmers' living conditions.

National Budget Bureau chief Bodi Chunnannon said Prime Minister Chatchai Chunnawan yesterday instructed government agencies to submit rural development plans to be implemented with the special allocation for Cabinet approval by April 22.

The emphasis will be on small road projects to link remote villages with the outside world and on medium- and large-scale irrigation plans for needy areas, he said.

Mr Bodi said the special allocation reflected the Government's policy to improve farmers' living conditions and solve the problem of rural poverty.

He said the Government will decide which development projects should be funded by the special allocation after considering proposals to be submitted by the various government agencies.

The Government did not include the special rural development budget in the current budget because the expenditure had been drawn by the previous administration, he said.

"The present government is an elected one. It knows the needs of the people and, therefore, is trying to arrange the expenditure budget to suit the people's needs," he said.

Mr Bodi said the 335,000-million-baht budget draft represents a 17.3 percent increase or 49,500 million baht compared to the current expenditure budget.

The government expects revenue of 310,000 million baht from tax collection. The rest will come from domestic loans. The forecast revenue of 310,000 million baht for fiscal 1990 is a moderate estimate and the government believes it will have no problem meeting the target, Mr. Bodi said.

He added that the Government expects the planned allocation to enable it to retain the economic growth rate at 7.5 percent with inflation rate not exceeding five percent.

The Cabinet earlier yesterday approved the implementation of 24,464 water resource development projects in the Northeast.

The projects include the construction of reservoirs, artesian wells and irrigation dykes as well as canal dredging. It also approved the establishment of four universities in Nakhon Ratchasima, Ubon Ratchathani, Chon Buri and Phitsanulok.

Chawalit Warns Army To Improve or Fall Behind
BK0304021889 Bangkok BANGKOK POST in English
3 Apr 89 p 5

[Text] Army Chief General Chawalit Yongchaiyut said yesterday if the Army didn't improve itself within the next five to 10 years, it will fall behind the armies of other nations.

Gen Chawalit was speaking to soldiers during the 82d anniversary celebrations of the First Army Division.

Vietnam

Thai Firm Gives 25 Million Baht to Lao Government
BK1204102689 Vientiane KPL in English 0903 GMT
12 Apr 89

[Text] Vientiane, April 12 (KPL)—Khamsai Souphanouvong, first deputy minister of economy, planning and finance, yesterday received a cheque of 25 million baht (Thai currency) and three 500 cc motor-bikes worth 810,000 baht from Gen. Nuan Chantri, director of the Thai VSS [expansion unknown] Company.

In line with Laos' open-door economic policy, the VSS Company will jointly invest with Lao Government in setting up an airline company and a commercial bank.

Kaysone Phomvihan Addresses Grass-Roots Cadres
BK1304114289 Vientiane Domestic Service in Lao
1200 GMT 13 Apr 89

[Text] On the evening of 6 April, Comrade Kaysone Phomvihan, general secretary of the party Central Committee and chairman of the Council of Ministers, addressed the conference on the first phase of the construction of the grass roots of northern provinces which was held in Sayaboury Province.

First, Comrade Kaysone Phomvihan, on behalf of the party Central Committee, praised the great successes scored by cadres in charge of grass-roots construction and multiethnic people in the northern provinces, in particular, after the fourth party Central Committee has adopted the fifth, sixth, and seventh resolutions. The northern provinces, especially Sayaboury, have undergone many profound changes enabling the people to become the master of the country and society and achieve self-sufficiency. Such changes are a correct trend in line with the new concept and can be attributed to the grass-roots construction cadres and personnel from the central and local levels who have been imbued with Resolution No 51 on turning to the grass roots, the guidance provided by the Secretariat of the Central Committee, and the party's plan and policy for new era and their endeavors to effect all-round changes in the areas of their respective responsibility. All these things have become foundation for the implementation of the second phase of their work.

[Words indistinct] the comrade brought up past shortcomings and problems which everyone must tackle and study to find quick remedies. Cadres in some localities have not yet been imbued with the party's plan and policy and contents of the fifth, sixth, and seventh resolutions of the fourth party Central Committee. Therefore, they lack consistency and dare not work nor master in carrying out their duties. Some comrades lack abilities to carry out the grass-roots construction work and experiences, so they tend to isolate themselves. Many problems have not yet been dealt with properly.

At the end of his address, Comrade General Secretary Kaysone Phomvihan instructed the grass-roots construction cadres to be determined to propagate the contents the seventh resolution of the fourth party Central Committee among the cadres and party members before guiding the people at the grass roots to correctly implement it. At the same time, cadres must observe and assess the actual situation in each locality to carry out their work and promote production which must be linked with the defending of the country and peace and order and be in line with political, ideological, and social progress so as to achieve the target of our country's socioeconomic development program.

The conference reviewed lessons drawn from the implementation of the tasks in relation to the first phase of grass-roots construction work in northern provinces held from 4 to 6 April.

Provisional Regulation on Land Use Reported
BK0704133189 Vientiane Domestic Service in Lao
0000 GMT 5 Apr 89

["Provisional Regulation on the Management and Use of Land for Agricultural Purpose in the Lao People's Democratic Republic" issued in Vientiane on 21 March by Kaysone Phomvihan, chairman of the Council of Ministers]

[Text] With reference to the resolutions adopted at the 5th, 6th, and 7th plenary sessions of the 4th party Central Committee and the decision reached by the Council of Ministers at a session held between 27 February and 1 March 1989 to modify the management and use of land for agricultural purpose to suit with the current reality, aimed at promoting the correct and effective use of land for agricultural purpose and turning more and more agricultural products into goods to serve society; and with reference to a proposal made by the minister of agriculture and forestry, the Council of Ministers has issued the following provisional regulation:

Part I. The Overall Principle

Article 1: Agricultural land is defined as the various types of land which are or can be used in agricultural production and experiments, including land for raising animals, amphibious animals, and aquatic animals. Agricultural land is an excellent national resource which is both an important means for and target of agricultural production.

Article 2: The entire land, including agricultural land, is property of the entire national community represented by the state. The state is the administrator of the management of land and grants the right of prolonged use of that land to Lao citizens, aliens with residences in Laos, and various economic sectors, including those operated with capital from foreign partners.

Article 3: The state promotes the use of agricultural land for production according to correct objectives and exercises the principle of balancing between labor and land in each village and each area so as to allow each family to have enough land for production in accordance with its own labor and capital capabilities. It is prohibited for anyone, be they organizations and state, collective, or private economic sectors, to simply lay claim for use on land without clearing or carrying out production on it. It is prohibited to sell or buy agricultural land. It is prohibited for anyone who has agricultural land under his jurisdiction to leave it as waste land, especially land for rice farming, including dry season rice farming. If it is discovered that anyone has put a claim for use on agricultural land without carrying out production on it and leaves it idle, that person will be fined and that piece of land will be transferred to other people for use.

Part II. The Right to Use Land

Article 4: Agricultural land which is under the right of use by certain persons:

1) Agricultural land, which belonged to those persons who had committed crimes against the revolution and who were punished with verdicts meted out by the people's court on 4 September 1975, will be distributed by the state to other people who are in need of it for legitimate use in production according to the number of workers in their family. Those who receive land through such distribution have no right to lease it to others. In the future when it is found out that a particular person possesses more land than needed beyond his labor and capital capability, the state will take back that excess land for distribution to others, including those living in other localities, for use in production so as to not to leave that land idle.

2) Agricultural land, which formerly belonged to those who have fled to live in foreign countries, which is now being used productively by someone, that person's right of legitimate use will be acknowledged by the state. If it is found that said piece of land exceeds that needed for his labor resources, the state will give the excess land to persons who have no land or who have land but not enough as required. The user has no right to lease this piece of land to others. The state does not acknowledge the transfer of the right of use to other people by the owner of the land who has already fled the country.

If a person who has fled to live in a foreign country returns home and wishes to acquire land for production, the state may give him his old piece of land provided there is still some excess land left or land in other localities in accordance with his labor and capital resources.

3. Agricultural land which is claimed for use but is not actually put to use in production will be taken back by the state for distribution to those persons who have no land or have land but not enough as required for production without paying any compensation to the claimant.

4. As for land which has been cleared by state personnel, be they soldiers and policemen, who have been transferred to work in other localities for more than 5 years and left their land under the right of use by other people, the state acknowledges the right of legitimate use by the people who have carried out production on that land. A state employee who has already been transferred has no right to ask for a reclaim of that piece of land. If said state personnel wishes to acquire land for production in the locality where he is stationed, the state will provide appropriate land to him. If the state personnel has already received compensation from the transfer of his land to other people before he was transferred, the state will not pay for the cost of clearing a new piece land for him.

5) The state allows the state personnel and people who have agricultural land in abundance that has already put into production and capital capability but lack labor to

hire labor force for production or lease the land to other landless people at the rates agreed upon by both sides—not exceeding 15 percent of the actual value of production of the production season of the first year. The lease rates for later years must not exceed that calculated for the 1st year of lease. The people who have agricultural land in abundance cannot transfer the land to any people at their own will. The state will apply the following coercive measures with those who left their land as waste land without sufficient reasons. They will be fined 10,000 kip per 1 hectare of land for the 1st year and 15,000 kip per 1 hectare for the 2d year. If the land is left as waste land for 3 consecutive years, the state will give that piece of land to other people to use for production.

Article 5: Agricultural land which is under of the right of use by cooperatives:

1) Agricultural land which has already been turned to collective ownership, including land left unattended by individuals during the wartime and jointly retrieved by the people after the war will be distributed on contractual basis to cooperative members in accordance with labor available in each member's family. Each cooperative will hold meetings to determine the balance of land distribution and labor forces. In this connection, attention must be given to families whose members have sacrificed for and were disabled by the revolution.

2) Agricultural land of cooperatives which has not yet been turned to collective ownership will be used on contractual basis by families of cooperative members. People and cooperative members who have no agricultural land or not enough land should concentrate on collective agriculture and increase production seasons to boost production efficiency. Those who have land beyond their labor and capital capabilities will be encouraged to transfer the right of the use of land to those who have no land or not enough land. Labor forces in cooperatives and villages will be mobilized to open up new land to help those who have no land or not enough land. Financial sources must be sought to provide loans for those who wish to open up new land. In case of lack of land for opening up and that collective farming is not feasible and production season cannot be increased, those who have no land or not enough land should be moved to other localities where land for production is available or engaged in other occupations to be provided by cooperatives.

Article 6: Agricultural land which is under the right of use by state economic units:

The right of use of agricultural land which has not yet been put under production or effectively put under production must be given to those who need land for production. Any economic unit claiming possession of any piece of land but left it as waste land will be subject to fines as stipulated in Articles 3 and 4 of this provisional regulation. Any state economic unit using land under possession of the people for purposes of economic production or experiments and research must provide

financial assistance to former owners of the land so that they can open up land elsewhere or recruit them to carry out production on contractual basis in that state economic unit as deems appropriate. Otherwise, it must open up new land for such purposes. In case of the land under possession of any individual but left unattended, state economic unit will not pay him any compensation for the use of that land.

Article 7: The prolonged right to use agricultural land which is not under the possession of any particular person will be given those who want to use it for economic production.

Article 8: Those who have no agricultural land or not enough land for production must inform the village administrations or organizations to which they belong for assistance and correction and, at the same time, search for new land by themselves. They may open up new land or lease land from other people or share with those who have excess agricultural land.

Article 9: Those who have received the right of agricultural land use must actually use the land for agricultural production. It is strictly prohibited to use agricultural land such as paddyfield for other purposes like construction of houses, buildings, factories, and so forth. If necessary, prior approval must be attained from chairmen of district, provincial, or municipal administration on the condition that new land must be opened up at equal acreage. Violation of this article will lead to the revocation of the right to use the land.

Part III. The Organization of the Implementation of the Regulation

Article 10: The minister of agriculture and forestry is assigned to coordinate with the economy, planning, and finance minister, chief of the Office of the Council of Ministers, and chairmen of local administrative organizations and sectors concerned in organizing and carrying out the experiments in certain localities in Vientiane Municipality, Vientiane, Savannakhet, and Champassak Provinces and later make conclusion, draw lessons, and prepare detailed guideline for the implementation of this provisional regulation before it will be implemented nationwide.

Article 11: The economy, planning, and finance minister is assigned to coordinate with the agriculture and forestry minister and the justice minister, and chief of the Office of Council of Ministers to draft a land law and submit it to the Supreme People's Council for promulgation in 1990.

Article 12: Ministers, heads of equivalent organizations, chairmen of provincial and municipal administrations are assigned to strictly implement this provisional regulation. Through actual implementation, they should promptly inform the Office of Council of Ministers of shortcomings, amendments, and modification as they deemed appropriate.

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SOUTHEAST ASIA

Article 13: This provincial regulation becomes effective the day it is signed. Past regulations, orders, and decrees which contradict this provisional regulation are hereby nullified.

Vientiane, 21 March 1989

[Signed] Kaysone Phomvihane, chairman of the Council of Ministers

Australia

Government To Allow PLO To Operate Openly *BK0604101889 Hong Kong AFP in English 0952 GMT 6 Apr 89*

[Text] Canberra, April 6 (AFP)—The Australian Government had no plans to recognise the Palestine Liberation Organisation (PLO) despite giving it permission to operate an office here, an official spokesman said Thursday.

Foreign Minister Gareth Evans told the Senate Wednesday night that Australia had agreed to let the Palestine Information Office here change its name to PLO.

Mr Evans said the move did not represent the granting of diplomatic or consular status to the office, but reflected a recognition by the government that the PLO had fundamentally changed its stand.

A Foreign Affairs Department spokesman said the decision was in line with PLO leader Yasir 'Arafat's recognition last year of Israel's right to exist.

But he said the government would only consider formal recognition of the PLO when an independent state of Palestine existed.

Until then the PLO could only operate here on the same basis as organisations like the African National Congress (ANC) or the South West African People's Organisation (SWAPO) which have representatives but no formal status.

Hawke Rules Out Holding General Elections *BK1304002089 Hong Kong AFP in English 0008 GMT 13 Apr 89*

[Text] Canberra, April 13 (AFP)—Australian Prime Minister Bob Hawke on Thursday ruled out general elections this year despite opposition claims that a newly announced wage-tax cut package was aimed at a snap poll.

"There's no early election in the offing. I can assure your listeners of that," he said on Australian radio. "I am just not in an election mode."

General elections are due by July 1990 and Mr. Hawke hinted that he might call a poll a few months earlier than that. But the Labor prime minister added: "There will be no election this year."

Mr. Hawke made his remarks a day after his treasurer, Paul Keating, announced long-awaited tax cuts totaling 4.9 billion Australian dollars (four billion U.S.) which would take effect July 1.

Mr. Keating said this was linked to wage rises amounting to an average 40 dollars (32 U.S.) a week negotiated with Australian unions.

The conservative opposition said the Labor government's April economic statement was nothing more than electoral maneuvering in a rush towards a snap poll before the August budget.

"It contains very little economic content but a large dollop of taxpayers' dollars to bribe the government back into the electorate's favour," opposition leader John Howard said.

But Mr. Hawke said the government was only carrying out the tax cuts promised last year. He said Mr. Howard's comments were an attempt "to introduce this note of cynicism into the delivery of my promise."

Mr. Hawke, a former trade union leader, came to power in 1983 and was reelected in 1985 and July 1987. The full term of Parliament is three years.

Papua New Guinea

Government Clamps Down on Bougainville Information *BK1404102089 Hong Kong AFP in English 0811 GMT 14 Apr 89*

[Text] Port Moresby, April 14 (AFP)—A third Papua New Guinea Defence Force soldier has been shot on Bougainville Island, police said Friday.

Four civilians and two soldiers have died in shootouts this month between security troops and militant landowners demanding massive compensation from the Bougainville Copper Mine Company.

The soldier, who is in critical condition, was shot through the left arm Thursday with a .22-caliber rifle while hunting down landowners at Sipuru, southwest of Bougainville's main airport, reports from the island said. [sentence as received]

The airport's terminal was recently burned to the ground.

The police said militants led by Francis Ona were hiding in the forested mountainous area, and a special operation by security forces was closing in on them.

Information on the situation in Bougainville is becoming difficult to obtain as a result of a government clampdown. Prime Minister Rabbie Namaliu's office in Port Moresby has barred any authority except itself from making statements on the crisis.

Vanuatu

Court Overturns Conviction of Former President *BK1404045289 Hong Kong AFP in English 0441 GMT 14 Mar 89*

[Text] Port Vila, April 14 (AFP)—The Vanuatu Court of Appeal on Friday [14 April] overturned the mutiny and sedition convictions of sacked President George Sokomanu and three other politicians involved in a bid to replace the government in December.

About 300 supporters broke into wild cheers when the court ruled there was insufficient evidence to convict Mr. Sokomanu, rebel politician Barak Sope, former opposition leader Maxime Carlot and ex-member of Parliament Willie Jimmie.

Mr. Sokomanu had been sentenced to six years in jail, Mr. Sope and Mr. Carlot to five years each and Mr. Jimmie to two years following a two-week trial in Vanuatu Supreme Court last month.

They were convicted of charges stemming from Mr. Sokomanu's move to dissolve parliament and set up an interim government under Mr. Sope to oust Prime Minister Walter Lini and pave the way for new elections.

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